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# Latin America Report



FOREIGN BROADCAST INFORMATION SERVICE

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4 April 1984

## LATIN AMERICA REPORT

## CONTENTS

## ENERGY ECONOMICS

## TRINIDAD AND TOBAGO

- Trintoc Projects Gradual Production Increase Through 1988  
(TRINIDAD GUARDIAN, 1 Mar 84) ..... 1

## COUNTRY SECTION

## INTER-AMERICAN AFFAIRS

- Colombian-Guatemalan Trade Agreement Signed  
(PRENSA LIBRE, 4 Mar 84) ..... 3

## ARGENTINA

- Salient Points in Military Code of Justice Reforms Noted  
(Editorial; LA NACION, 11 Feb 84) ..... 5

- Patagonia Governors Sign Socioeconomic Alliance  
(LA NACION, 19 Feb 84) ..... 8

## BOLIVIA

- Machicado: 1984 Inflation Rate Could Reach 2,000 Percent  
(PRESENCIA, 26 Feb 84) ..... 11

- Neighborhood Committees Muster Mass Popular Support  
(HOY, 24 Feb 84) ..... 13

- Banzer's Administration Accused of Banking Irregularities  
(PRESENCIA, 26 Feb 84) ..... 15

- Meat Deliveries to COMIBOL Interrupted  
(HOY, 24 Feb 84) ..... 17

Miners Cite Problems Facing Exporters (PRESENCIA, 20 Feb 84) .....	18
COMIBOL Granted Mineral Sales Jurisdiction (PRESENCIA, 22 Feb 84) .....	20
Mining Ministry Releases Tin Production Figures (PRESENCIA, 23 Feb 84) .....	21
Briefs	
Romanian Delivery Delay .....	23
COSTA RICA	
Police Force Seen in Need of Reorganization, Better Training (Editorial; LA NACION, 4 Feb 84) .....	24
Briefs	
Peters' Dismissal Protested .....	26
Four Embassies Closed .....	27
ECUADOR	
PD Sectors Support Borja's Candidacy (EL UNIVERSO, 24 Feb 84) .....	28
FRN Underlines Increasing Loss of Public Confidence in TSE (EL UNIVERSO, 25 Feb 84) .....	29
Briefs	
Liberal Party Endorses FRN Ticket .....	31
Center-Left Front Organized .....	31
EL SALVADOR	
Pact With PDC Causes Dissension in UPD (EL DIARIO DE HOY, 22 Feb 84; LA PRENSA GRAFICA, 23 Feb 84) .....	32
FESINCONSTRANS Leaders Reject Pact PUCA Withdraws From UPD	
GUATEMALA	
PSD on Rightist Violence, Polarization (LA RAZON, 17 Feb 84) .....	35
GUSG, CLAT See Lack of Freedom for Union Activity (LA RAZON, 13 Mar 84) .....	38



## JAMAICA

New Economic Measures Reported; Additional Steps Urged (THE DAILY GLEANER, various dates) .....	41
Call for 'Tough' Policy	
Loans to State-Run Firms	
Counter-Trade Committee	
External Debt Burden	
Concern Over Exchange Controls	
Price Increases for Growers	
Agricultural Credit	
Devaluation Blamed for \$29 Million Loss at Air Jamaica (THE DAILY GLEANER, 24 Feb 84) .....	51
Milk Production Sets Record; Dairy Herds Improve (THE DAILY GLEANER, 25 Feb 84) .....	54
Bankers Held on Currency Charges; Seaga Scores Dealings (THE DAILY GLEANER, 25 Feb 84) .....	55
Montego Bay Investigation	
Seaga 'Black Market' Charges	
Seaga Offers Rationale for Recent Trip to Costa Rica (THE DAILY GLEANER, 24 Feb 84) .....	57
GLEANER Carries Special Reports on PNP Activities (THE DAILY GLEANER, 23 Feb 84) .....	58
House Debates, Extends Suppression of Crime Act (THE DAILY GLEANER, 23 Feb 84) .....	60
Briefs	
Vaz on Import Licenses	64

## MEXICO

Reagan Administration Immigration, Customs Policies Attacked (EXCELSIOR, 6, 8 Feb 84) .....	65
Border Patrol Reinforcement Called 'Unfriendly', by Aurelio Ramos M.	
Compensatory Tax on Steel Faulted, by Jaime Contreras S.	
Velazquez Seen as Beneficiary of Disunited Labor Congress (Salvador Corro; PROCESO, No 378, 30 Jan 84) .....	69
Lugo Verduzco To Tour Areas of PRI Organizational Weakness (Humberto Aranda; EXCELSIOR, 13 Feb 84) .....	74

Yucatan: PRI Fear of PAN Victory Seen in Alpuche's Departure (Elias Chavez; PROCESO, No 381, 20 Feb 84) .....	75
Briefs	
Social Works for Capital Suburb	77
FOGAIN Loans for Sonora Plants	77
Cultural Exchange Symposium With USSR	78
NICARAGUA	
Sandinist Defense Committee Leader Describes CDS's Role (Leticia Herrera Interview; BARRICADA, 17 Feb 84) .....	79
Clergymen Said To Be Censured for 'Liberation Theology' (BARRICADA, 18 Feb 84) .....	84
SURINAME	
Trade Union Delegation To Visit Netherlands (ANP NEWS BULLETIN, 5 Mar 84) .....	86
Surinamese Liberation Council Planning Reorganization (ANP NEWS BULLETIN, 14 Mar 84) .....	88
Briefs	
KLM Seeking Flight Restoration	89
Details of Suralco, Billiton Venture	89
TRINIDAD AND TOBAGO	
Analyses of Current PNM Situation Discern Problems (EXPRESS, 24 Feb 84; SUNDAY EXPRESS, 26 Feb 84) .....	90
Contention for Chairmanship, by Andy Johnson	
Assessment of Convention, by Andy Johnson	
Challenge of Allied Opposition, by David Renwick	
Robinson Criticizes Remarks by Ince, U.S. Ambassador (EXPRESS, 24 Feb 84) .....	97
Minister With Tobago Portfolio Assailed in Tobago Assembly (EXPRESS, 27 Feb 84) .....	98
Government Slates Investment in Aid to Tobago Small Businesses (EXPRESS, 28 Feb 84) .....	100
Hudson-Phillips Message Appears in New ONR Newsletter (EXPRESS, 27 Feb 84) .....	101

Alliance-Controlled Local Councils Snub Budget Meeting (TRINIDAD GUARDIAN, 1, 2 Mar 84) .....	103
Minister's Presentation	
Panday Support for Walkout	
Criticism of Alliance	
Police Raid on Estates Nets 53 Alleged Illegal Aliens (Ronald John; EXPRESS, 24 Feb 84) .....	107
Navigational Facilities at Piarco Airport Being Improved (TRINIDAD GUARDIAN, 1 Mar 84) .....	108
Manufacturers Group Establishes Exports Division (EXPRESS, 29 Feb 84) .....	110
Government Urged To Keep Big Trawlers Out of Gulf of Paria (TRINIDAD GUARDIAN, 2 Mar 84) .....	112
Briefs	
Tanker From Japan	114
Texaco-Union Row	114
ONR-Alliance Talks	115
Japan Loan Clarification	115

#### VENEZUELA

COPEI Leaders Denounce New Administration's Measures (EL UNIVERSAL, 11, 16 Feb 84) .....	116
Secretary General Underlines Abuses	
Military Appointments, Other Issues	
Call for Congressional Investigation	

## TRINTOC PROJECTS GRADUAL PRODUCTION INCREASE THROUGH 1988

Port-of-Spain TRINIDAD GUARDIAN in English 1 Mar 84 p 3

[Text] San Fernando--Trinidad and Tobago Oil Company Limited (Trintoc) anticipates an average production of about 8,500 barrels a day. The company closed January 1984 at about 9,000 barrels a day and expects to close February at about the same level.

Production in 1985 is expected to be 9,000 barrels a day; 1986--9,000 barrels a day; 1987--9,800 barrels; 1988--the company's production is expected to attain a level of 10,000 barrels a day.

This was stated yesterday by Mr Patrick Manning, Minister of Energy and Natural Resources, at a news conference held at Trintoc, Point Fortin, after he held discussions of a technical nature with senior managerial staff.

He said the company had advised that it intended to spend \$150,000,000 in secondary recovery projects over the next three to four years and it was expected to contribute handsomely in the projected increased level of production.

He said last year the company drilled 41 wells. This year it expects to drill about 34 wells. He said the company was hoping to step up production and the Ministry was having talks with some of the service companies and also with the oil companies to see what the ministry could do to assist both in production and preserving jobs of workers.

He said the company in 1984 projects total expenditure to the order of \$197.7 million (TT) and he gave a break down of how the money was going to be spent in production generally in the various areas.

Mr Manning said the company also proposed to continue with production studies this year.

Referring to the Trintoc refineries, Mr Manning said that the throughput has been down to just over 12,000 barrels a day (average) and that was so because of the processing arrangements at Texaco. He said the company was expecting an increase in production level in 1984.

Mr Manning spoke about modification of the Point Fortin refinery that allows the refinery to run continuously at a much lower throughput level.

#### Successful Year

Whereas in the past the refinery at Point Fortin required about 40,000 to 45,000 barrels a day of crude to operate on a continued basis, with the modification it can now run with about 20,000 to 25,000 barrels of crude per day.

Trintoc, he said, had a relatively successful 1983. It had responded to the Government's call to increase production. He said the benefits of the supplemental petroleum was still available to the company in 1984.

The company has also increased its workover activities.

On the question of importing 20,000 barrels of crude from Venezuela to be processed in Trinidad, as announced in the 1984 Budget, the company's managing director Mr Walter James, said that talks were going on with Texaco to evaluate the economics of having the crude processed at Pointe-a-Pierre.

No agreement has yet been reached and until the discussions have been finalised the crude will not come to Trinidad.

CSO: 3298/583

## COLOMBIAN-Guatemalan TRADE AGREEMENT SIGNED

Guatemala City PRENSA LIBRE in Spanish 4 Mar 84 p 2

[Text] Facilitating Guatemala's economic revival, supporting and stimulating its exports--that is the spirit of the partial trade agreement signed last Thursday between Guatemala's Economy Minister Leonel Hernandez Cardona and Colombian Economic Development Minister Rodrigo Marin Bernal.

Both ministers said that the benefits to be obtained from the signing of this bilateral agreement will run in both directions. Guatemala emphasizes the laudable efforts which Colombia is making in this field; that country proposes to create propitious conditions for increasing Guatemala's exports.

The ministers said that, in an effort to make sure that this agreement will have constant dynamism and that the objectives motivating it will be attained, it was agreed that Colombia, through its foreign trade agencies (INCOMEX [Colombian Foreign Trade Institute]), will provide streamlined and speedy administrative procedures for handling imports of Guatemalan goods.

"In this connection," said Hernandez Cardona, "when someone applies for an import license for products on the list that is part of the agreement, it must be mentioned that these items are included in the instrument which has now been signed.

"Colombia will provide special processing for import licenses on products originating from Guatemala so that the spirit of cooperation between Colombia and Guatemala will soon be expressed in a large flow of trade.

"It is noted that the goods involved in this first stage of the agreement just signed do not exclude others which Colombia needs and which Guatemala can offer under normal conditions of competition, in the context of Colombian policy in the matter of import regulations.

"However, under equal conditions regarding offers received by Colombia from other countries for these last-mentioned products, we will try to offer preferential treatment for those goods that come from Guatemala and from countries with which bilateral agreements of this nature are signed."

Within a period of no more than 30 days, as of this date, the Guatemalan economy minister and the Colombian economic development minister will



communicate to each other the names of the departments and officials charged with following up on the practical implication of the agreement and with seeking solutions to the obstacles that might arise in the course of this effort.

Both governments stressed the efficient role of coordination that was played by the BID [Inter-American Development Bank] in bringing these trade agreements about.

Through its minister of economy, the government of Guatemala spelled out the efforts that are being made within the Contadora Group and which were received with approval by the Central American countries because they constitute a tangible expression of an economic character through the signing of this agreement.

The Colombia economic development minister expressed his thanks for the demonstrations of friendship he received from the government of Guatemala on the occasion of his visit to this country and reiterated that the prosperity and peace of our peoples can be achieved only through cooperation.

5058

CSO: 3248/477



## SALIENT POINTS IN MILITARY CODE OF JUSTICE REFORMS NOTED

Buenos Aires LA NACION in Spanish 11 Feb 84 p 6

[Editorial: "The Reform of the Military Code of Justice"]

[Text] With the approval by the Chamber of Deputies of amendments which the Senate, as the amending chamber, had introduced, action has been completed on the law providing for reforms in the Military Code of Justice.

The process of drafting the new law led to intense and, at times, tumultuous debate, with an unusual number of participants from the bar. However, leaving aside some excesses—explainable in part by the long period of time during which Congress was in recess—the vigor with which members of Congress set forth their varied views on the initial draft bill presented by the Executive Branch of the government is understandable. Therefore, it would not really be appropriate to repeat on this occasion what was once said of the Argentine Congress: that it seemed more properly a meeting of gentlemen trying hard not to contradict each other. On the other hand it is appropriate to record that the existence of an authentic, free, and respected opposition is an essential requirement for the life of a constitutional, democratic system.

The Military Code of Justice was approved under the Constitution of 1949. Article 29 of the code specifically set down a structure of military rights [fuero castrense], which also applied to civilians. Although this was amended on several occasions, it was somewhat out of tune with the new course being followed in the country and with the spirit of the constitution now in effect.

Probably, the reforms in the Military Code of Justice which have now been approved do not cover all the aspects of the old code which needed to be changed—among other things the provisions relative to the rights of defense of persons on trial, which are not properly guaranteed. There is no doubt that, in large part, this is due to the need to bring under control the situation inherited from the previous, de facto government. In any case, the legislative step which has just been taken is of major importance.

Among the provisions of the reform bill, it is appropriate to distinguish between those which make basic changes of a permanent character and those which seek to provide an outlet for burning questions which must be resolved without any further delay.

Among the basic changes, on the one hand, are provisions which limit the jurisdiction of military courts and, on the other hand, those which provide for appeals against sentences handed down by military courts to the ordinary courts which are part of the judicial system of the nation.

Regarding the restrictions on the jurisdiction of the military courts, the law which has just been approved by Congress restricts it to "crimes and misdemeanors which are essentially military." These are considered violations of the regulations which affect the existence of military institutions. In this way the exceptional character of military justice is accentuated, and cases are taken away from military judges which involve common crimes committed by members of the armed forces. This follows the doctrine set out in Article 16 of the Constitution, which prohibits the establishment of special codes of rights. Furthermore, the possibility of subjecting civilians to military courts is limited to the maximum extent. The practice of bringing civilians before military courts was a common practice under the last, de facto government, in accordance with the emergency laws which that government enacted to deal with subversive activities.

Regarding the new procedures for recourse to the ordinary courts, the reform bill adds one article to the Military Justice Code--Article 445 (b)--under which the decrees of the Supreme Council of the Armed Forces are susceptible to change through appeals to the respective federal court, depending on the location involved. Such an appeal may be based not only on questions of law but also on omissions or incorrect interpretation of the relevant evidence. This reform is of great importance if we bear in mind the fact that, previously, sentences by military courts were only subject to appeal through an extraordinary procedure, which was highly restrictive in application and which excluded by definition questions of fact and evidence, with the exception of clearly arbitrary action. In this way the new law follows the doctrine laid down by the Supreme Court which only accepts the validity of trials by courts not under the judicial branch of the government if such trials are susceptible to appeal to the latter.

However, the question which has aroused the most controversy relates to the standards which are set down for the trial of presumed abuses committed in the course of operations undertaken to repress terrorism. In this respect it is provided that crimes attributable to persons who took part in such actions will be tried by the Supreme Council of the Armed Forces, through a summary procedure. Sentences handed down in this way are subject to the appeals process mentioned above. As a standard of interpretation it is also provided that it may be assumed, except in the case of evidence to the contrary, that anyone who has acted in other than a decision-making capacity, following orders or directives which pertain to approved or supervised plans, did so without the possibility of questioning the legitimacy of the orders received.

The legal solution for so difficult a problem seems reasonable from every point of view. Above all, respect has been shown for the requirement of a "natural judge" as required by Article 18 of the Constitution. Furthermore, responsibility has been attributed for actions committed, taking into account the particular features of the anti-subversive struggle. The only thing which appears to be arbitrary in the law is the fact that the system established under it will only pertain to actions which took place after 24 March 1976. This ignores the fact that such anti-subversive activity began in 1975 under a decree issued by the

legal government of the time, which ordered the liquidation of the subversive structure.

Whatever the case, there has been no attempt to follow an ostrich-like strategy of ignoring reality. The executive branch of the government, making use of its powers of initiating legislation, proposed the adoption of the necessary standards, without unnecessary delay, and the Congress has responded positively, in a sensible way and without evading its responsibilities.

5170

CSO: 3348/285

## PATAGONIA GOVERNORS SIGN SOCIOECONOMIC ALLIANCE

Buenos Aires LA NACION in Spanish 19 Feb 84 pp 1, 10

[Text] The first meeting of southern governors ended yesterday [18 February] in Rawson with the signature of a final document in which they support the establishment of a great Patagonian alliance and which provides for setting up a body which will unite them in dealing with the political aspects of institution-building in the region. In the document they also propose a common strategy to encourage greater integration among the southern provinces and advocate the conversion of the Territory of Tierra del Fuego into a province.

For his part the minister of the interior, in closing the meeting of the governors of La Pampa, Neuquen, Rio Negro, Chubut, Santa Cruz, and the National Territory of Tierra del Fuego, the Argentine Antarctic, and the Islands of the South Atlantic, announced that the measures restricting the reestablishment of law and order in the country will last only a short time.

In their final document the six governors stated that the integration of Patagonia is a priority objective and an essential step to ensure regional development and achieve an harmonious and balanced structure for the nation.

## Final Meeting

Rawson, Chubut Province--The meeting of provincial governors presided over by Dr Antonio Troccoli, minister of the interior, ended early yesterday [18 February]. Various officials of the national government spoke at the final session, continuing with their presentations. Dr Daniel Batalla, secretary of transportation, referred to the work which his department is planning to do, particularly in restoring the efficiency of traditional means of transportation.

The national director of migration, for his part, announced the reopening of various mountain passes.

Dr Rodolfo Rivero, the director of port construction and navigable waters, analyzed the present state of port infrastructure. Architect Jose Luis Bacigalupo referred to priority housing plans which the national government will implement, beginning in 1985 and continuing until 1989.

## Troccoli Speaks

After these presentations had been completed, Dr Antonio Troccoli spoke to conclude the meeting of the governors. In his speech the minister referred to the critical times the country is going through and the difficulty involved in preparing a government program against the background of the enormous inflation we are suffering from.

He emphasized: "It is essential to restore the health of our tax structure, to establish order and regain control of those crazy variables." He insisted on the need "for Argentinians to regain confidence in their capacities and their possibilities."

## Standards of Development

Further on in his speech he said that to the extent that we do not occupy this part of the country [Patagonia] conflicts will become more complicated. To that end regional development is necessary, and we need to establish standards of development. He emphasized that our sovereignty will not be protected by guided missile cruisers or Army barracks but rather through the daily presence of fishing fleets flying the Argentine flag.

He concluded, saying that the standard of this program must be political in nature.

## Final Document

The governors of Neuquen, La Pampa, Rio Negro, Chubut, Santa Cruz, and Tierra del Fuego and the Islands of the South Atlantic, in the presence of Minister of the Interior Antonio Troccoli, signed a final document covering their deliberations, called "The Rawson Declaration," to accompany a document in which the governors of the provinces located south of the Colorado River set out the needs of the region and made proposals to meet them.

The governors state that "the integration of Patagonia is a priority objective and an unavoidable measure, not only for regional development but also to bring the region into harmonious and balanced conformity with the rest of the country." In the same way they consider that "the establishment of new institutional relationships of a permanent type and which are regional in character will constitute an adequate scope for the analysis and resolution of common problems, through new forms of cooperation."

Then they express their decision to establish an "organization of Patagonian governors to deal with the political aspects of institution-building in Patagonia and a technical, economic and social council to harmonize the public and private sectors, implementing joint projects in order to prepare a definitive plan for Patagonian regional development."

The "Rawson Declaration" points out that the greatest surface and sub-surface resources which the nation possesses are concentrated in Patagonia and that, nevertheless, the region lacks the population and infrastructure for the rational exploitation of its resources.

Finally, the governors stated that they would welcome the conversion to provincial status of the National Territory of Tierra del Fuego and the Islands of the South Atlantic and recommended the inclusion of the province of La Pampa in the legislation for the development of the region."

5170

CSO: 3348/285



## MACHICADO: 1984 INFLATION RATE COULD REACH 2,000 PERCENT

La Paz PRESENCIA in Spanish 26 Feb 84 p 4

[Text] The inflation process, which by December of this year could reach 2,000 percent, has begun a spontaneous growth, according to an explanation provided by the former finance minister and national deputy, Flavio Machicado.

Machicado feels that if the inflation rate, running at a monthly average of 30 percent, is maintained between December 1983 and December 1984, the index will reach 1,850 percent (cumulative). The reason that this might occur is the following: the growth in salaries has exerted pressure on prices and goods.

The only method for halting the inflationary spiral, according to the minister, is the "traditional and logically correct one": to limit the expansion in the mediums of exchange--costs and salaries--in order to balance this expansion with the supply of goods. The correct method, however, has little chance of finding application, because of the consequences and social cost it would have.

The other alternative, according to the former minister, is that of increasing goods through importation or production; for that, resources are needed which, of necessity, must come from abroad, such as loans and credits.

Machicado said that what is needed is the organizing of the country's internal structure; otherwise, no one is going to loan us anything and, even if we did get loans, they could dissolve amid the disorder.

According to what Machicado said, the problem again becomes political in nature. He admitted that the contradictions within the government are the major "obstacle" to confronting the economic crisis.

"It is not that the president does not wish to make decisions," he declared, "but he tends always to seek a consensus; and since this consensus is not possible, the decisions are made only when the problems overtake him."

The former minister's opinion, based also on his government experience, is that an imbalance is being created between the "political pace and the economic pace." According to this opinion, the government is now aware that the economic pace is moving more rapidly, exhausting the political pace, and in this way hindering solutions.



concerning the inflationary spiral, Machicado said that evidently only those more capable of exerting pressure succeed in obtaining salary increases, but only nominally. On the other hand, he said, there exists a large sector which is becoming more impoverished.

The method for halting inflation, according to the former minister, is "work."

CSO: 3348/305

## NEIGHBORHOOD COMMITTEES MUSTER MASS POPULAR SUPPORT

La Paz HOY in Spanish 24 Feb 84 p 9

[Text] Cochabamba, 23 Feb--The Departmental Federation of Neighborhood Committees has taken to the streets in a protest demonstration against the government economic policy and in favor of the democratic process, in addition to having severely attacked the transport workers whom they labeled coup plotters.

Despite opposition and criticism by the Departmental Workers Federation and the Human Rights Assembly against the methods used by the Neighborhood Committees Federation, the demonstration had mass popular support from housewives, particularly from the poor neighborhoods, who, carrying empty pots and baskets, protested against the scarcity of food and against price speculation, and demonstrated their full support for their leaders who are currently participating in a self-imposed fast--which began last Monday--demanding concrete solutions to their problems. Their petition was brought to the attention of the president of the republic, Dr Hernan Siles Zuazo almost 20 days ago.

After overrunning the major streets and avenues of this city, the neighborhood committees gathered in the main square, where the leaders--currently engaged in a hunger strike--gave speeches from the balconies of the Industrial Federation.

Mario Unzueta, the main speaker, sharply censured the government for not paying attention to their proposals. Freezing the price of basic commodities, the creation of local grocery stores administered by the neighborhood committees, donation of vehicles for the National Automotive Enterprise, the construction of public lavatories, and other points were addressed amid the applause from the supporters gathered in the square.

Unzueta denounced as public enemies and coup plotters the transport workers who are currently involved in a general strike for an indefinite time. "The transport workers are still trying to gain benefits, even from this democratic government, despite having achieved this under the military regimes, from whom they received favors," he said.

He pointed out that in view of the strike by this sector, the blockades, which was scheduled to begin precisely today, have been lifted.

He asked for the solidarity of the people with the institutional civic movement of the neighborhood committees which are justifiably demanding a greater supply of food, price freezes and other concessions.

About 150 neighborhood committee leaders are packed into the "Los Corazonistas" temple where they are carrying out the voluntary fast.

The Departmental Workers Federation and the Human Rights Assembly have separately criticized the tactical methods of the Neighborhood Committees Federation and have asserted that the blockades and demonstrations contribute to the destabilization of democracy.

CSO: 3348/305

## BANZER'S ADMINISTRATION ACCUSED OF BANKING IRREGULARITIES

La Paz PRESENCIA in Spanish 26 Feb 84 p 4

[Text] At the second Agricultural Symposium, which took place in Trinidad, it was reported that the administration of President Hugo Banzer transferred to the Agricultural Bank a debt of \$7 million, which the cattle ranchers had contracted with the Banco do Brasil. The delay in the payment of this obligation "has put the Agricultural Bank's standing in jeopardy." The Agricultural Symposium has approved a resolution which asks the government to annul this transfer.

The events leading up to the situation revealed here go back to 1976. During the Banzer administration a decree was issued--August 1976--in which the transfer to the Agricultural Bank was arranged for a debt in the amount of \$7 million. The Agricultural Bank was to have cancelled this loan within a period of 5 years, at an annual interest rate of 2 percent, above the London Bank Offered Rate (LIBOR), revisable every 6 months. Upon establishing this transfer, the decree indicated that the cattle ranchers' obligations, since they were subject to a short term, could not be cancelled in the specified time, due to, it claimed, "the problems of marketing meat." The same decree authorized the Agricultural Bank to select and assess those borrowers capable of deriving benefit from the transfer. The decree establishes that the client receiving the loan will pay capital only at current interest rates; it did not mention penalty interest charges or legal costs.

During the disclosure of the underlying causes of the Agricultural Symposium, it was announced that, "due to pressures of a political nature and to recommendations favoring the borrowers, despite the observations of the experts, the Agricultural Bank made neither a selection nor an assessment of those beneficiaries." Of the cattle ranchers, 99 percent benefitted from the transfer of funds, "violating all the legal procedures established for banking in general."

Another of the irregularities pointed out was one whereby, due to a decision resulting from the same decree, the Agricultural Bank is burdened with a loss of 9 percent in interest charges to the borrowers. Currently the delayed debt which the cattle ranchers have with the Agricultural Bank stands at 1,228,251,000 Bolivian pesos.

The difficult position of the Agricultural Bank is emphasized in documents presented at the Agricultural Symposium. Along this line, the funds were not used

for the purpose of restocking the herds; there was no sense in the fixing of interest rates; and there is the slow and arduous collection of these credits, all of which at the moment are working against the liquidity of the Agricultural Bank. It is known that previous managers mishandled the administration of the Agricultural Bank.

#### Resolution

Once the report of the Agricultural Symposium's economic commission was brought before the plenary session, the latter approved a resolution. It indicates that "this bank was created for the purpose of promoting and developing the agricultural and livestock sector of the country, and the debts which the bank has been forced to contract, deprive it of its function of fulfilling the objectives of the country's agricultural and livestock credit policy." The symposium is asking the government that this debt, which was not handled by the Agricultural Bank, be absorbed by the National General Treasury.

CSO: 3348/305

## MEAT DELIVERIES TO COMIBOL INTERRUPTED

La Paz HOY in Spanish 24 Feb 84 p 6

[Text] The Beni cattlemen stopped 60 percent of its meat deliveries to COMIBOL [Mining Corporation of Bolivia] in January and February of this year, according to a report from the state mining enterprise.

This percentage means 1,682,476 kilograms out of 2,657,736 kilograms, according to the report.

The COMIBOL orders were: 649,881 kilograms for last December; 170,214 for January; and 155,192 for February.

There is documentation on this showing that the cattlemen could not or did not want to fill 60 percent of the COMIBOL orders, according to the publication issued the day before.

The cattlemen either do not have the capacity to supply it or are virtually rationing meat to the miners. The communication added that this is causing social discontent.

It rejected the statement by the Beni Cattlemen's Federation that COMIBOL was behind in payments. It explained that debits were remitted with dates from 6 February to 21 February.

There are payment vouchers dated from 7 February to 21 February that remain pending due to inactivity of the Central Bank.

The value of cash payment vouchers delayed for this reason averaged from 3 million to 7 million pesos. The suppliers are owed a total of about 70 million pesos.

The document ended that there is a debit from COMIBOL to Reyes Meatpacking for more than 100 million pesos but it is not overdue because it is for meat delivered in February.

COMIBOL is not interested in hurting livestock development. If it decides to import, it concluded, it is because it must make up for the demonstrated regular shortage.

7717

CSO: 3348/304

## MINERS CITE PROBLEMS FACING EXPORTERS

La Paz PRESENCIA in Spanish 20 Feb 84 p 3

[Text] The National Association of Medium-Sized Mining, in its bulletin NOTICIAS MINERAS, stated that the situation of Bolivian mining "is very critical."

It indicated that, for this reason and others, the private export sectors requested aid from the government "due to the critical situation of the activity to generate foreign currency."

It indicated that Bolivian exports "dramatically" reveal three problems: uncontainably rising production costs; artificially depressed revenue; and lack of foreign currency to import supplies.

The rise in operating costs explained by an inflationary process that, according to official data, reached 450 percent in the first 14 months of the democratic government and the fact that most of the supplies and expenses "climbed" with the rate of exchange of the parallel market is one of the factors involved.

Medium-sized mining explained that the increased production cost of goods to be exported cannot be transferred to the price since this is determined by the international market.

It said that the reduction in revenue was due to the deep recession in the international market but mainly to the fact that exporters receive an "atrocious" price for the foreign currency they generate.

"There has been a sharp imbalance between the revenue and operating costs of the national exporters. While operating costs quintupled since November 1982, domestic prices for the exporter barely increased 2.5 times," it indicated.

It revealed that it also had to mention the "considerable" burden of direct taxes on the exporter to which is added "a new and devastating indirect tax resulting from the excessive difference between the official figure for exchange parity and the real price of foreign currency."

The noted imbalance along with internal political factors and the instability of the market has caused seriously "anomalous" situations in the enterprises, whether public or private.



"Profitability has disappeared and, consequently, the possibilities for reinvestment. The enterprises are decapitalized and too much in debt. There is a process of premature obsolescence since the situation keeps the enterprises from renovating machinery and equipment," according to NOTICIAS MINERAS.

Finally, it stated that underground mining in seams and hard rock has the highest cost in the world and is at great disadvantage compared to alluvial exploitation that is predominant in Southeast Asia and Brazil.

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CSO: 3348/304

## COMIBOL GRANTED MINERAL SALES JURISDICTION

La Paz PRESENCIA in Spanish 22 Feb 84 p 7

[Text] The government, through Supreme Decree No. 20058, decided to centralize marketing of metals and by-products now under ENAF [National Smelting Enterprise] in COMIBOL [Mining Corporation of Bolivia].

The decision was made because centralization of the marketing of minerals and metals will "minimize" sales costs and "improve" Bolivia's negotiating power in the international market of these products.

The document has the following six articles:

Article 1. COMIBOL will centralize the marketing of metals and by-products that ENAF is now responsible for.

Article 2. A special organ will function as a branch of COMIBOL, the division of marketing of metals, by-products and minerals. It will be responsible for marketing metals and by-products of ENAF as well as the concentrates produced by COMIBOL which are not processed by national metallurgical plants.

Article 3. The division of marketing of metals, by-products and minerals will be structured technically and administratively on the marketing division of COMIBOL, incorporating the corresponding department of ENAF based on the norms established in the respective regulatory decree.

Article 4. The assets and liabilities of COMIBOL, the division of marketing of metals, by-products and minerals, ENAF and any unit or group that participates directly or indirectly in the marketing process will be kept separate.

Article 5. The form of participation by the Karachipampa Metallurgical Complex Company in the marketing process will be studied in the future.

Article 6. This decree will be regulated within 60 days based on a study by a committee headed by the Ministry of Mining and Metallurgy and made up by representatives of COMIBOL, ENAF and those who participate in the marketing process.

The minister of mining and metallurgy is responsible for the execution and compliance with this Supreme Decree.

## MINING MINISTRY RELEASES TIN PRODUCTION FIGURES

La Paz PRESENCIA in Spanish 23 Feb 84 p 6

[Text] The production of concentrated and metallic tin reached 1,796.5 refined tons in January 1984 with a value of \$21,446,181.21, according to provisional data supplied by the Ministry of Mining and Metallurgy.

Tin production accounts for 60 percent of all the mining production of COMIBOL [Mining Corporation of Bolivia], medium and small mining enterprises.

Nationalized mining under COMIBOL produced 503,975 refined kilos of tin worth \$6,092,562.01. Tin represented 65 percent of total production in January.

COMIBOL also produced 136,809 refined kilos of copper worth \$189,062.27; 81,994 kilos of lead worth \$31,112.25; 1,916,449 kilos of zinc worth \$1,847,115.67; 40,308 refined kilos of wolfram worth \$274,228.48; and 3,678 kilos of silver worth \$1,046,864.84.

Medium-sized mining produced a total of 29,462 refined kilos of tin worth \$356,614.20, 4 percent of its total production.

It also produced: 10,755 kilos of lead worth \$4,505.09; 7,461,156 kilos of zinc representing \$7,003,511.32; 134,527 kilos of wolfram worth \$905,918.30; and 2,030 kilos of silver worth \$614,153.09.

Small mining production totaled \$3,690,237.24 in January. Tin represented 44 percent of this with 148,680 refined kilos worth \$1,613,000.

The volume and production of other ores was as follows: lead, 1,313,000 kilos worth \$415,000; and silver, 6,609 kilos worth \$1,428,000.

#### Smelted Ore

Exports in January 1984 of 1,133,240 refined kilos of smelted ore had a value of \$13,461,255.60.

They exported 1,114,460 refined kilos of metallic tin worth \$13,383,915. That was 99 percent of the total exports of smelted ore.

They also exported 8,780 refined kilos of tin-lead alloys worth \$77,070.80.

Below are the provisional data on the volume and value of mineral exports for January 1984.

<u>Minerals</u>	<u>Refined Kilos</u>	<u>Worth in US\$</u>	<u>Value</u>
Total US\$		35,517,145.36	100
Tin (Concentrate)	682,117	8,062,181.21	22
Tin (Metallic)	1,114,460,000	13,383,915.00	38
Alloys (Sn-Pb)	8,780	77,070.80	0
Copper	136,809	189,062.27	1
Lead	1,405,749	450,617.34	1
Zinc	9,377,605	8,850,626.99	25
Wolfram	174,835	1,180,146.78	3
Silver (Complex)	12,317	3,089,017.93	9
Antimony	145,000	234,507.04	1

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CSO: 3348/304

## BRIEFS

ROMANIAN DELIVERY DELAY--COMIBOL [Mining Corporation of Bolivia] faces a delay in receiving 84 battery and trolley locomotives through a pact with the Industrial Import and Export Trade Company of Romania. The units are to renovate the transportation system inside the mines of the enterprise. There is a delay in the shipment of the first 24 locomotives because of observations by the Romanian Foreign Trade Bank related to the letter of guarantee sent to Bucarest by the Central Bank of Bolivia. It is expected that there will be agreement soon to comply with the contract signed on 17 February 1983, according to COMIBOL. The state mining enterprise fulfilled its part of the contract by having its 10 percent to execute it. It must pay another 10 percent to proceed with the shipments. The credit agreed on totals \$2,827,444 with a term of 5 years and an annual interest rate of 6.5 percent. The purchase of these units was authorized by Resolution 06/83 of 4 July 1983 by the Majority Labor Coadministration Directorate of COMIBOL. It stipulates that the first 24 locomotives must be subjected to yield tests in different mining enterprises, pulling ore cars under normal conditions. These will be supervised by technicians of the purchaser and seller. If the results are unfavorable, the contract will be null and void, according to the information. The Romanian locomotives must meet the technical specifications of COMIBOL with battery pulling capacity of 2 to 3.5 tons and by the trolley system of 4.6 to 8 tons. Romanian technicians will come here with the first shipment to direct assembly operations, initial ignition of the machines and operation during the test period. [Text] [La Paz HOY in Spanish 15 Feb 84 p 5] 7717

CSO: 3348/304

## POLICE FORCE SEEN IN NEED OF REORGANIZATION, BETTER TRAINING

San Jose LA NACION in Spanish 4 Feb 84 p 14A

[Editorial: "The Professionalization of the Police"]

[Text] Angel Edmundo Solano, attorney, minister of security, recently made reference to the need to guarantee the civil guard and, we imagine, the rural guard as well, the right to job security. This initiative seems to us to be essentially a sound one, but we feel that it is insufficient. A simple guarantee of job security to the present security forces is not enough. An effort must be made to professionalize the police by means that are not only established by law (an organic law that will protect the police career with a guarantee), but which are also of a technical and military nature.

If we have no army, we must be able at least to count on competent police forces that are stable and apolitical to the degree that their jobs do not depend on politics, that is, on changes of government administrations. This sort of reorganization, which no administration has tried as yet, involves a great variety of matters, such as equipment, professional training, the instruction of civilians particularly in the rudiments of law, sufficient installations and food supply, the use of a military roster and a salary scale based on years of service. In addition, it means the discontinuance of the practice whereby each administration has a large number of jobs available for members of its political party.

We have written on this topic during at least the last three administrations and have advocated this same idea. In the absence of an army, the country needs reliable and competent police forces, both to fight delinquency with preventive measures and to exercise vigilance in providing security for the nation and its citizens.

This undertaking, which cannot be postponed particularly in times like these, can in no way be attempted with financing from abroad nor even with the help of friendly countries. This problem has nothing to do with militarization. It is not a question of creating an army or a military corps in the real sense, but rather of organizing a civilian police force with civilian spirit and training that will know how to take action without going to extremes, yet with firmness and a precise knowledge of the nature

and limitations of its powers. Our present police forces either go to excesses in their actions because of ignorance or lack of training, or, on the contrary, are guilty of the sin of omission.

A statistical study--already in the hands of the Judicial Investigation Agency (OIJ)--of the damages suffered by citizens, commercial firms and enterprises as a result of attacks by members of the underworld, would demonstrate to us that the monetary value involved would be far greater than the cost of a genuine professional reorganization of the police. And this is true without taking into account values that cannot be estimated in terms of money, such as the lives of citizens. The security of our institutions and the preservation of public order are other imperatives that no state worthy of the name can leave to the whim of circumstance.

It is indeed a fact that periodically (and this has been the practice for several years) small groups of civil guards are sent to Panama to receive instruction and also that there is in this country a school for the training of the security forces. But all of this is obviously insufficient, since the matter at hand is the total reorganization of the two police forces, the civil and the rural guards or, with better judgment from the technical point of view, the idea of unifying these two preventive police organizations under a single command, with the same management and the same school.

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CSO: 3248/469



## BRIEFS

PETERS' DISMISSAL PROTESTED--Representatives of the National Liberation Party (PLN) sent a letter yesterday to President Monge asking that he revoke the agreement by virtue of which the resignation of Mr Ekhart Peters, vice minister for foreign relations, was accepted. The assistant chief of the group, Miguel Angel Guillen (Alajuela), said that they feel that there is no legal ground on which the official can be obliged to leave his post. They stated further that there had been undue haste on the part of the Office of the Comptroller General of the republic in declaring that Peters was subject to dismissal because he had not submitted his financial disclosure statement within the time prescribed. Guillen said that, before the deadline, two officials of the chancellery, Mr Rafael Angel Conejo, administrative manager, and Mr Jorge Saenz Carbonell, Peters' assistant executive officer, requested the opinion of the Comptroller's Office as to whether the disclosure could be made through a general proxy and the reply was negative. As has been published, Peters did not comply with the requirements of the legal ordinance within the allotted time and his resignation from the office of vice chancellor was accepted. The 14 officials who, according to the Comptroller's Office, are to be added to those who failed to submit their financial disclosure statements within the time prescribed, are the following: Delio Porras Guzman, contractor for the National Communications Management Office; Dr Jorge Enrique Romero Perez, member of the board of directors of the Highway Security Council, representing the minister of the interior; "master" [sic] Luis Fernandez Ramirez Arguedas, member of the same board, representing the National Apprenticeship Institute (INA); Jose Joaquin Quesada Valverde and Angela Espinoza Ortiz, members of the administrative board of the National Communications Management Office. Others who did not comply with the terms stipulated in the legal ordinance are: Jose A. Castro Beeche member of the board of directors of the Investment and Exports Promotion Center (CENPEO), representing the Chamber of Agriculture; Walter Esquivel Sotela, also of CENPRO, representing the Chamber of Commerce; Antonio Bastida de Paz, attorney; Dr Marta Picado Ramirez; Amado Soler Gonzalez, engineer, and Dr Hugo Gerardo Howell Castro, members of the National Sports Council; William Corrales Araya, attorney, general manager of Sports; Rodolfo Campos Luque, contractor for that management entity, and Ernesto Ruiz Aviles, member of CENPRO, representing the Chamber of Industries of Costa Rica. [Excerpts] [San Jose LA NACION in Spanish 14 Feb 84 p 8A] 8089

FOUR EMBASSIES CLOSED--San Jose, 23 Feb (DPA)--Because of a tight budget, the government of Costa Rica has closed its embassies in Paraguay, Uruguay, Bolivia and Switzerland, according to a report released in San Jose today. The measure will go into effect beginning with next March at which time the following ambassadors will be due to return to Costa Rica: Guillermo Gago (Paraguay), Felix Rojas (Bolivia), Manuel Hernandez (Uruguay) and Eduardo Jenkins (Switzerland). Ambassador Jenkins will be transferred as ambassador to Israel to replace Karen Olsen, the former prima donna of Costa Rica, who has resigned from the post. [Text] [La Paz EL DIARIO in Spanish 24 Feb 84 p 1] 8089

CSO: 3248/469

## PD SECTORS SUPPORT BORJA'S CANDIDACY

Guayaquil EL UNIVERSO in Spanish 24 Feb 84 p 3

[Text] Quito--An important sector of the Democratic Party supports Rodrigo Borja Cevallos and Aquiles Rigail, nominees for president and vice president of the republic of the Democratic Left-People, Change and Democracy coalition, in the runoff election. However, they do not want to enter into political agreements for collaboration if this pair wins the election.

The broad majority of the Democratic Party supported the candidacies of Borja-Rigail in the runoff in spite of the fact that a "small sector" headed by Heinz Moeller Freile seeks alignment with the National Reconstruction Front.

The idea of support without collaboration comes from a broad sector, according to Ricardo Rivera, candidate for national deputy of that political party.

According to that sector, relations with Borja Cevallos and the Democratic Left will end after the votes are counted on 6 May. The political organization would then return to an independent position.

Ricardo Rivera stated that the National Reconstruction Front got all the votes it was going to get in the first presidential election; it will not win any more in the runoff.

He reaffirmed the opinion that there was no electoral fraud in the past election. There were signs of irregularity in form but not in fact.

With respect to the irregularities, he stated that several trials have been opened as a desperate measure, violating the most elemental standards of legal procedure--the decision of a single judge on a single action. In this case, with the accusation of fraud, there are a number of judges, distorting the application and effect of the law.

Rivera felt that there was a legal gap. With the accusations of irregularity, the Supreme Electoral Court should use the procedure of an electoral suit, not a political one (National Congress). The latter means mainly political results.

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CSO: 3348/308

## FRN UNDERLINES INCREASING LOSS OF PUBLIC CONFIDENCE IN TSE

Guayaquil EL UNIVERSO in Spanish 25 Feb 84 p 3

[Text] Spokesmen for the FRN [National Reconstruction Front] said that the number of contradictions, denials and statements by a member of the Supreme Electoral Court, Dr Juan Quinde Burneo, through the mass media and written notes sent to the Legislative Committee investigating irregularities in the 29 January elections have distressed the Ecuadorean people. They also precipitate an avalanche of distrust not only concerning the ability but also the honesty of the top election organism.

## Quinde's Contradictions

According to the FRN, Quinde Burneo denounced an attempt to fraudulently bring in counterfeit ballots from Colombia to taint the elections. The statement is on a tape that was delivered to the Legislative Committee. Quinde made these statements on a Quito radio program. Then Quinde contradicted himself and said that he did not make these statements. He was actually referring to buying ballots in Colombia by the Supreme Electoral Court under the dictatorship for the previous presidential elections.

His contradiction caused great indignation among the members of the committee, the journalists and the public that heard the tape at the request of the deputy for the Democratic Party, Dr Marco Proano Maya.

The committee summoned Quinde for next Tuesday.

## Quinde Makes Process Flounder

Juan Quinde, in an official note sent to the investigating committee, revealed that the ballots supplied by the Supreme Electoral Court for the 29 January elections were numbered--that is, individually identified. However, unnumbered ballots were deposited in the ballot boxes.

At a committee meeting, deputy Vicente Burneo was very indignant because Quinde's communication presents a terrible dilemma. Letter a of Article 64 of the existing Elections Law provides that ballots and election forms that are not supplied by the Supreme Electoral Court will be invalid.

Vicente Burneo added that it is not the committee's intention to sink the 29 January election nor place the country in a position of erasing and starting over. This would have very serious consequences for the democratic life of the country. However, he said that if the ballots supplied by the Supreme Electoral Court were numbered as Quinde stated and others were found that were not numbered, this would completely nullify the election based on the legal provision cited above.

All the events of 29 January and 12 February and the public statements and official notes from one of the members of the Supreme Electoral Court demonstrate a lack of civic honesty that turns the members of the Supreme Electoral Court into officials totally lacking trust and credibility.

The FRN communique ended: The Ecuadorean people hope that the pertinent organisms adopt decisions in case the current members do not present their resignations in order to proceed to complete reorganization of the Supreme Electoral Court. It is seriously questioned because of its positions before the public.

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CSO: 3348/308

## BRIEFS

LIBERAL PARTY ENDORSES FRN TICKET--Quito--The national director of the Liberal Party, engineer Eudoro Loor, reported on the resolutions approved by the Supreme Council of the Liberal Party at a special session held in this capital last night. He indicated that the Supreme Council repeated the Liberal Party's decision to strengthen the structure of the National Reconstruction Front and appealed to all liberals and sympathizers to close ranks for complete victory in the 6 May elections. The Supreme Council authorized the national director of the party, Eudoro Loor, to instigate legal proceedings in the Supreme Court of Justice in the name of the party against members of the Supreme Electoral Court for having violated constitutional and legal provisions during the last elections. The Supreme Council resolved to insist on convocation of a special congress for amendment of the Elections Law. Finally, the Supreme Council resolved to send a team of professionals to the final count hearings by the Supreme Electoral Court. [Text] [Guayaquil EL UNIVERSO in Spanish 25 Feb 84 p 12] 7717

CENTER-LEFT FRONT ORGANIZED--(ANE)--The Center-Left Front was formed in this city by members of the Democratic, Democratic Left, Roldosist, People, Change and Democracy and Popular Democracy parties. Along with independents, they propose to do the necessary political work so that their common ideological current wins the runoff election. According to a formal statement by that organization, it was created to denounce the so-called National Reconstruction Front which is nothing other than a union of the political and economic right of the country. That statement also included formal announcement of the decision to support the presidential candidacy of Dr Rodrigo Borja Cevallos in the runoff election with the commitment to work actively for his victory next 6 May. At the same time, the Provisional Coordination Committee was appointed. It included: Dr Jorge Zavala Egas; engineer Napoleon Medina, provincial director of the Democratic Party; Flora Pluas from People, Change and Democracy; Humberto Gomez of the Ecuadorean Roldosist Party headed by Abdala Bucaram; Jose Reyes from the Popular Democracy Party; engineer Enrique Duque representing the independents; Ramon Arias of the National Youth Movement; and engineer Cristobal Verduga of the Democratic Left. Jorge Zavala, who acted as spokesman for the front, used the occasion to make an appeal to all progressive men and women in the province to join in the effort so that Ecuador have a new government of social justice. They must use all legal means to prevent access to power by the obscurantist forces at this time of the republic and to fight an all-out battle to bury the right of the country forever. [Text] [Guayaquil EL UNIVERSO in Spanish 24 Feb 84 p 3] 7717



## PACT WITH PDC CAUSES DISSENSION IN UPD

## FESINCONSTANS Leaders Reject Pact

San Salvador EL DIARIO DE HOY in Spanish 22 Feb 84 pp 2, 17

[Text] Popular Democratic Unity (UPD) has not signed any pact with Christian Democracy, assert the leaders of the organization.

Mr Juan Antonio Argueta Platero and Mr Alejandro Escobar Cartagena state that the item published in a morning daily other than EL DIARIO DE HOY and announcing that the UPD has signed a social contract with the Christian Democratic Party, has no basis in fact.

The organizational secretary and first secretary of disputes of FESINCONSTANS [Trade Union Confederation of Construction, Transportation and Related Industries] and the secretary general and associate secretary general for El Salvador of the Central American Workers Confederation (CTGA-ORIT) personally gave the lie to such a prevarication.

The union leaders state that the UPD has made no agreement or compromise of any kind with any political party.

Those who would assert the contrary, they add, are against the interests of the workers and are only trying to create confusion.

These machinations and maneuvers are unacceptable, they emphasize, and therefore all the organizations that make up the UPD flatly reject them.

The union leaders add that when a politician wields lies of this nature to shock the people, he is involved in a fraud, and at the same time loses the moral position a candidate to the presidency should have, since he bases his claim on damages to individuals or institutions.

They believe that the worst harm is done when they point out that this report came from union sources, since the only unionists in the UPD are those of the FESINCONSTANS.

The other labor forces, they say, are affiliated with another international line that organizes associations that prefer the interests of the workers to those of a political party.

The FESINCONSTRANS, they explain, is affiliated with the International Confederation of Free Labor Unions (CIOSL) and to the AFL-CIO.

They say that they are aware that union action cannot be limited to seeking improved wage benefits in order to achieve social and economic advances.

There is also a need for political activity by the unions, they say, but without falling into the deviation of becoming an appendage of some party, since when parties come to power, they tend to govern upwards; that is, they respond to the interests of a special elite and not to the needs of the people.

They conclude by saying that the best guarantee of the full respect for union rights in a country is the existence of a strong, independent, democratic union movement.

Their participation is among all the parties so as to prevent the factional political oligarchies from imposing unsuitable directions on the country.

"In the face of the obvious truth that no political party up to now has represented or defended the interests of the Salvadoran people, there remains as the sole alternative the idea that the strength of organized labor, profoundly rooted in the mystique of free unionism, can recover its role in their economic and social development, thereby avoiding the chaos which would be produced by a bloodier, more criminal civil war than the one through which we are now suffering."

#### PUCA Withdraws From UPD

San Salvador LA PRENSA GRAFICA in Spanish 23 Feb 84 pp 3, 13

Text Dr Orlando Castro de la Coteria and Mr Hector Evora, leaders of the Central American Unionist Party, announced the withdrawal of PUCA Central American Unionist Party from the UPD, citing deviation from the basic principles in the letter of principles and objectives of 9 September 1980.

They say that such basic principles refer to independence in the face of any political event, thereby losing its ability to pressure against the excesses of any government. Accordingly, they say, when it withdrew from Democratic Popular Unity, PUCA gave a vote of confidence to Dr Gabriel Pilona Araujo for his honest, efficient participation in the UPD.

At the same time, they say, the Central American Unionist Party reaffirms the freedom of its members and supporters throughout the country to decide either to give or deny support to the political platform of any party, as long as they think the coming 25 March elections represent an alternative of pacification or total solution to the country's huge political, economic and social problems.

They conclude by reporting that the PUCA reiterates its democratic faith in the attainment of unionist ideals, under the triple heading of union with God,

union with ourselves, and union with our fellow men in the defense of the political union of Central America, with respect for justice, for private initiative, for the inalienable rights of the workers, and for their associations with the integration of true, free unionism.

In conclusion, "The Central American Unionist Party wants the peoples of Central America to be able to achieve peace in a democratic environment in which justice, law and freedom prevail," said Dr de la Coteria, chairman of the supreme council, and Mr Hector Evora, delegate from Costa Rica and press chief.

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CSO: 3248/465

## PSD ON RIGHTIST VIOLENCE, POLARIZATION

Guatemala City LA RAZON in Spanish 17 Feb 84 p 5

[Text] If the situation of violence which the country is experiencing at this time is not reversed, then polarization will grow, the fratricidal struggle between Guatemalans will be intensified, and the possibilities of true democratization will become more and more remote; this warning was issued by the Socialist Democratic Party in publishing its condemnation of the increase in violent actions in recent weeks.

The organization--in an announcement sent to the media--states that one can observe a deterioration in the existing conditions, as reflected by the growing number of persons who have been kidnapped and assassinated with complete impunity in the country's capital and interior in recent days.

It points out that this is the moment when all truly democratic and popular forces must together demand an end to repression and the adoption of convincing measures which would once and for all put an end to all of those who murder and kidnap with impunity.

The Socialist Democratic Party also believes that the prevailing conditions do not make the people's participation in the elections viable "since the presumed democratic opening, which the military government offers and promotes, is stained at every moment with the blood of so many Guatemalans."

There have been frequent kidnappings and disappearances of persons from all social sectors; these events cannot be concealed "nor can one argue that they are invented to discredit the military regime because they are carried out by paramilitary groups or heavily armed death squads."

Those groups operate quite freely in the full light of day and "even within sight of the people and the uniformed security forces themselves, without the latter intervening to prevent these criminal actions against the population," the political organization asserts.

The announcement recalls that, on the organizational level, the Socialist Democratic Party has always stated that the development of a true democratic opening must be promoted within a context of total and unrestricted support for the most elementary rights of the Guatemalans.

But, it notes, so long as there is only talk of democracy and so long as this talk is nothing but rhetoric which does not even permit the right to dissent, it will never be possible to find the way that will move the people toward the solution of its most urgent problems.

That political organization also says that those who hold political and economic power "must understand that it is no longer possible to go on governing with the traditional stale policies, forgetting that the world today is no longer what it was during the first half of the 19th century and that it is quite unhistorical to want to revive a past, running counter to the very sense of human events."

The Socialist Democratic Party's condemnation of the rise in violence was joined by statements from other political organizations pursuing different political-ideological persuasions.

#### Consensus on Petition for End to Violence

Political groupings have virtually arrived at a consensus in demanding of the administration of Gen Oscar Mejia Victores that it control violence because they see in this situation a grave threat to the achievement of the country's democratization process.

In a declaration signed by its Assistant Secretary-General Alfonso Cabrera Hidalgo, the Christian Democratic Party stated that every day the people learn of multiple assassinations and kidnappings whose execution "constitutes a repetition of the style and methodology of the misdeeds that were committed under the regime of Gen Fernando Romeo Lucas Garcia."

These misdeeds were met with acquiescence, cover-up, and "under the responsibility of high officials in that opprobrious government."

#### Are Security Organizations Involved in Crimes?

The Christian Democratic Party also comments that, as during the time of the Lucas regime, there were "unusual cases in which the state security organizations appeared involved in criminal acts although we do not know of any specific action by authorities charged with doing that."

DG [Christian Democratic Party] says that one cannot understand why each day we have a series of attacks, such as when groups of armed men take wounded persons from hospitals, kidnappings downtown, and assassinations of honest citizens "without the state security organizations ever knowing anything about this."

The rightist MLN (National Liberation Movement) also tacitly accused the security forces of committing criminal actions, such as kidnappings and others.

The moderate National Renewal Party, headed by Mario Castejon Garcia-Prendes, also expressed its concern with the unrestrained rise in violence which can have disastrous effects on the development of the political process that was initiated in March 1983.

Around 16 political organizations, in a joint expression of opinion, published their concern with violence and warned that, if this is not controlled, it could become a decisive factor in the obstruction of political activities.

Similar viewpoints were expressed by the following: The committee for the New Force Party, the Democratic Civic Front, the 20 October Revolutionary Movement, the United Front of the Revolution, the Social Christian Party, the Third Justicialist Position, the Revolutionary Party, and the Democratic Institutional Party.

The same is true of the Nationalist Authentic Center, the National Unity Front, the Organized Popular Force, the Popular Democratic Force, and other organizations.

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CSO: 3248/477



CUSG, CLAT SEE LACK OF FREEDOM FOR UNION ACTIVITY

Guatemala City LA RAZON in Spanish 13 Mar 84 p 4

[Text] The disappearance of several trade unionists recently put in doubt whether free trade union organization in the country is being respected, asserted a spokesman of the Confederation for Trade Union Unity, referring to the kidnapping of six trade union leaders, who have not shown up anywhere in spite of the fact that concrete information that could have given some clues was provided, such as license plate numbers, and colors and makes of the cars used in the kidnappings.

Those who have disappeared are: a leader of the trade union of workers of the Central American Glass Industry, Edgar Fernando Garcia, another of the Adams Company, another from the Municipal Trade Union, Alfonso Alvarado and three leaders of the Universal Weaving Company.

Several weeks ago a leader of the Confederation of Trade Union Unity of Guatemala (CUSG) had denounced the lack of sufficient guarantees for trade union reactivation due to the disappearance of some leaders.

Specifically, it was during the first 2 weeks of this January that the leader of the CUSG, the former government adviser Juan Francisco Mijangos, referred to the kidnapping of workers from the Pantaleon sugar mill and of two more from the Autonomous Trade Union Federation of Guatemala (FASGUA).

All these situations show that there are not sufficient guarantees to act freely, and that this state of things could bring about fear like that experienced during the Gen Romeo Lucas Garcia period.

It has been said in political circles that a setting of total and unrestricted respect for basic rights should be provided for the development of an authentic democratic opening, and that one of these rights is the respect for free trade union participation.

The government has insisted that among the efforts that it has made regarding respect for these basic rights has been to guarantee freely operating trade unions as long as they avoid developing into situations that generate violence and disrupt social harmony.

Carlos Padilla Natareno, minister of labor has explained that the government guarantees free trade unionization as long as their actions are carried out within the law, according to their inherent goals. This will give them authority and ample respect and will reveal their maturity and clear awareness of trade unionism's purposes.

A few weeks ago a forum was held with the participation of political leaders in which the topic of trade unionism was discussed. In spite of the different points of view expressed by each of the political organizations about what trade unionism should be, there was agreement on the need for the country's development to count on unions to fulfill the goals of union protection and training that constitute the philosophy of trade unionism.

Nevertheless, as the secretary general of the Latin American Central Organization of Workers [CLAT] and director of the Workers' University of Latin America, Jose Merced Gozalez said, only in theory has trade union freedom been established in Guatemala, since in reality it has not been respected and the rights have been rather restricted.

Let us remember that in Guatemala the trade unions were severely beaten during the worst period of the violence and a lot of union activity has disappeared in spite of the efforts of the Rios Montt and Mejia Victores regimes to guarantee free trade union organization.

The CLAT adjunct secretary said that trade unions should avoid polarization and not let themselves become extremist.

From this point of view it must be recognized that the so-called capitalist countries are the ones which have the best trade union organization and in some cases the trade unions receive the state's and even the businesses total support, because it is recognized that the better the workers' conditions the greater will be their productivity.

In one of its first editorials, the DIARIO IMPACTO stated that: "It is in those countries where almost feudal systems of production prevail that the elimination of trade unionism has been tried, which many times results in the radicalization of this type of activity."

That editorial pointed out that "trade unionism has to be seen not only as an indication of development but also as a factor capable of generating development."

Nevertheless, in Guatemala this is not easy given that at this time fear of any type of participation still exists, besides which businesses, that is the employer sector, instead of encouraging trade unions repress them, providing radical groups the opportunity to control this type of movement.

If the army as well as the Ministry of Interior assert that six trade unionists have not been arrested, the government should clear up as soon as possible the mystery about these kidnappings.

The minister of the interior has repeated so many times that the police force is able to investigate and clear up any situation. Taking into account that relatives of these workers have provided information with which to begin an investigation, the situation should be cleared up so that the free trade union organization put into effect by Gen Mejia Victores is not put in doubt.

Otherwise, this situation as well as the kidnappings of other professionals could slow down the electoral process, because returning to democracy is not just a matter of people going to deposit their votes in ballot boxes, but also of guaranteeing the respect for the most basic human rights.

CSO: 3248/493

## NEW ECONOMIC MEASURES REPORTED; ADDITIONAL STEPS URGED

## Call for 'Tough' Policy

Kingston THE DAILY GLEANER in English 24 Feb 84 pp 1, 3

[Text] Hardline fiscal and economic measures are essential if Jamaica is to solve her many problems, according to a Government official at a Gleaner Brains Trust Meeting last week.

Referring to the new financial measures imposed on January 24 by Government and aimed at improving Jamaica's balance of payments position, containing inflation and inducing the growth of savings, the official said "we have to constantly bear in mind the fact that the economy cannot continue to function on a fiscal deficit of 15 percent of GDP along with equally high current account and balance of payments deficits. It's just impossible and we won't be able to borrow vast sums of money which had enabled this to continue over the past few years."

"It's not a good time to be looking for vast amounts of borrowings so you have to somehow move towards living within your means and trimming these deficits. For one thing, you get closer to your levels of credit-worthiness and secondly, even if you have a little bit of room there, the whole international scenario right now is one where the banking system is viewing this part of the world with jaundiced eyes because of Brazil and Mexico with their massive loans outstanding.

The measures introduced last month included a ceiling of 12 percent on the amount which commercial banks as a group and each individual bank may increase credit to the private sector, the raising of the overall liquid assets ratio of commercial banks from 36 percent to 40 percent, and the cash reserve ratio from 5 percent to 10 percent.

The official said that the various fiscal and economic programmes instituted in recent years have largely been aimed at building up the reserves of the Bank of Jamaica. But, he noted: "You can't run a Central Bank with negatives of \$700-million and very low levels of liquid reserves. You cannot continue to do it unless the people working it are going to be working night and day trying all sorts of gymnastics and so on. So the whole thrust of monetary and fiscal policy has to be to bring demand to a level which, while not hurting

the productive sector, would enable us to build up some reserves. Otherwise, you won't be able to marshall the trade credits in the future which you will very badly need."

The official said that everybody hankers after exchange rate stability but a country could not achieve this if the demand for foreign exchange constantly exceeds the supply by a very large figure. This could not be achieved, he continued, "unless we're going to find some way of physically rationing the goods that we import. If you're running a market system, you must have a mechanism where the supply and demand of foreign exchange is roughly in harmony unless the rate is going to move rapidly. Measures have also to be aimed at keeping your inflation rate within certain targeted levels, otherwise you get the feedback effect into wages, etc and you also get a feedback into your exchange rate so you have to try to keep demand at the particular level.

Another member of the Brains Trust noted that the measures instituted in January were so structured in order to develop some consistency between the balance of payments between the fiscal and productive sectors. He said that the targets for 1984/85 are essentially the build-up of the liquidity of the Bank of Jamaica, a reduction of the fiscal deficit, and the reallocation and not necessarily the reduction of credit to the productive sector, in a bid to hold inflation at a rate of approximately 18 to 20 percent for the year. He said that Jamaica is likely to see a real reduction in consumption in the economy of around 10 percent as a result of the measures instituted by Government.

Noting that Jamaica has in past years had credit ceilings placed on distributive sectors and professional services, this member said "somehow or other the credit kept going to these sectors, one way or another. It is for this reason that the main success of the credit measures depend on the rediscounting mechanism, the Bank of Jamaica would only be rediscounting the productive loans and to the extent that we can get facilities such as the Export Development Fund (EDF) back on the road, we will be able to get the EDF providing both the Jamaican dollars and the foreign exchange as it used to operate in the past."

Using Barbados as an example, he said that "small country with half the resources that Jamaica has" has maintained for several years an exchange rate of US\$1 to \$2Bdos, "because they have right credit policies, right fiscal policies and live overall, within their means. It's a country that is very well managed and their credit policy has been consistent with their balance of payments. They have not run up the kind of debt burden that we have run up."

He said that this year it would cost Jamaica in the region of \$530-million of foreign exchange to service the country's debts "more than we're earning from the bauxite sector, and in order to pay that debt something has to give, and that is the crucial problem that the country faces. If you're going to service the debt, somebody has got to give up something and the fiscal adjustment would have to take place," he said.



## Loans to State-Run Firms

Kingston THE DAILY GLEANER in English 24 Feb 84 p 3

[Text] Government loan guarantees to the extent of \$39.8 million for State-run companies were approved by the House of Representatives on Tuesday.

Ministry Papers on the loans were presented to the House by the Leader of Government Business in the House, the Hon J.A.G. Smith, on behalf of the Minister of Finance, the Rt Hon Edward Seaga. The relevant resolutions, seeking approval, were also piloted by Mr Smith.

In Minister Paper Number 4, it was stated that the House should note that the General Electric Company has agreed to provide the Jamaica Public Service Company Limited with a loan in the form of a credit of U.S. \$4.4 million.

The purpose of the loan is to finance the purchase price of electrical distributor equipment to be bought from the General Electric Company by the JPSCo.

Mr Smith said that the Ministry Paper was first presented as Ministry Paper No 29 dated 11th August 1983, but unfortunately, it has been presented as a loan agreement instead of a loan in the form of a credit agreement; and consequently the extract of the Minutes of the House was incorrect and could not be used to complete the documentation of the loan.

As a result, it was re-submitted for approval, he said.

On Ministry Paper Number 8, Mr Smith said that a syndicate of local stock-brokers--Barita Investment Limited, Paul Chen Young and Company Limited and Security Brokers Limited--had been approached by the Ministry of Finance for loan resources to be made available to the National Sugar Company Limited and the Urban Development Corporation.

A sum of about \$20 million to \$25 million long-term financing is being sought from these non-banking institutions for the public companies involved.

In the case of the Urban Development Corporation, the funds would be used to repay outstanding account payables arising from the construction of the Government Conference Centre; and with the funds for the National Sugar Company, certain loan advances would be retired, coupled with rehabilitation programme financing from field and factory operations.

In the event that \$20 million was raised, \$7 million would go to the UDC and \$13 million to the NSC; however, if \$25 million was procured, \$8 million would be allotted to the UDC while \$17 million would be allocated to the NSC.

Mr Smith said that by a recently-concluded agreement the Bank of Nova Scotia Jamaica Limited had agreed to provide loan financing of \$15.4 million to the UDC and a Government guarantee was being sought for the loan, as set out in Ministry Paper No 7.



The purpose of the loan was to provide additional finance to assist with the payment of local construction of the interim accommodation for the International Seabed Authority on the Kingston Waterfront Development, he said.

The UDC will pay to the Bank of Nova Scotia interest on the loan at the rate of 1 1/4 percent over and above the prime lending rate of the bank.

The House separately approved loan guarantees sought on the Ministry Papers, under the Approved Organisations and Authorities Loans Act.

#### Counter-Trade Committee

Kingston THE DAILY GLEANER in English 25 Feb 84 p 1

[Text] Mr Robert Humphires, the new chairman of Bauxite and Alumina Trading Company of Jamaica Limited (BATCO), has also been appointed chairman of a newly-formed Counter-trade Committee which will be responsible for the assembling of information on goods and services offered by Jamaica, as well as commodities required by this country.

The Committee, comprising representatives of BATCO and Jamaica Commodity Trading Company Limited, will function as a co-ordinating body for all enquiries regarding counter-trade. It will co-opt members from both the public and private sectors, from time to time, "depending on the nature of proposals being considered with the relevant expertise."

BATCO, the agency charged with the overall responsibility for all counter-trading activity in Jamaica, will continue to handle such transaction through the Committee, a J.I.S. news release said.

Making the announcement, the Minister of Mining and Energy, Senator the Hon Hugh Hart, pointed out that since counter-trade was introduced by BATCO two years ago, the number of enquiries has been increased and the areas of interest broadened considerably. This has resulted in some instances in several different organisations having the responsibility of dealing with various aspects of the same transaction, he said.

The establishment of a Counter-trade Committee was therefore aimed at "eliminating that fragmentation to ensure proper co-ordination and appropriate input from personnel qualified to handle specific enquiries and proposals."

#### External Debt Burden

Kingston THE DAILY GLEANER in English 27 Feb 84 p 1

[Text] The total of Government-guaranteed external debt at the end of November 1983 amounted to J\$870 million--an increase of J\$378 million, or 77%, in the thirty days following the end of October 1983.

This large increase in external guaranteed debt was caused by the November 24 devaluation which moved the exchange rate on Government debt from 1.78 to 3.15. The increase in the Jamaican dollar value of the debt comes after the debt balance had declined from a month end peak of about J\$546 million at the end of 1982 to J\$492 million at the end of October 1983.

Government-guaranteed debt represents non-Central Government debt with Central Government as guarantor, and is consequently a potential liability to Central Government. In the event of default, the Government has to assume responsibility of repayment.

The information is compiled from regular returns which are supplied by institutions contracting these loans.

#### Concern Over Exchange Controls

Kingston THE DAILY GLEANER in English 28 Feb 84 pp 1, 3

[Text] The Exchange Control (Amendment) Act 1984 which the Government intends to pass into law, is causing grave concern in Business and Financial circles. The offending section seems to be Sub-section 6 of the new Section 6A.

Sub-section 6 states that not only will an Officer of a company be guilty of the offence committed by the company but also that he must prove that he did everything within his powers to prevent the commission of the offence.

In the present climate of shortage of foreign exchange, Jamaica's extremely high international debt (third largest in the Western Hemisphere) and our rising balance of payments deficit, one can appreciate that the Government has an obligation to the nation to harness as much foreign exchange as is possible.

Stemming the level of foreign exchange leakage, if these are in fact taking place, is one of the quickest means whereby the Government can ensure suitable inflows of this scarce commodity to the productive sector.

One can understand, therefore, the Government's intentions in wishing to amend the Exchange Control Act at this time. In situations of crisis people tend to be over-zealous. Persons to whom amendments to Acts are entrusted are no exceptions to this rule.

One would hope that having had a chance to reflect on the contents of the Act, the Government will table a much more sober re-draft of the offending Sub-section 6 before it is passed into law.

The Sub-section 6 of Section 6A is more onerous than criminal law since the burden of proof is being placed on the deemed offender. In criminal law the offender is innocent until proven guilty. The sub-section goes further by requiring that the Officer of the company in an attempt to prove his innocence should show that he did everything in his powers to prevent the offence being committed.

We have heard of ignorance of the law being no excuse for the commission of an offence. Ignorance of the fact must surely be a defence against a charge being brought against any individual.

The truth is that this sub-section is totally out of proportion since the Manager of a company, for example, can end up with a ten years prison term for an offence he did not even know was being committed by the company he manages.

An Act which has the effect of making criminals out of innocent people should not be passed into law. Sub-section 6 of Section 6A of the amendment to the Exchange Control Act is a prime example.

The Bill was down to be taken on Tuesday Feb 21 but was not. It is still on the order paper and may be reached on Tuesday, March 6 when the House meets again.

It states:

#### A BILL ENACTED

#### AN ACT to Amend the Exchange Control Act

BE IT ENACTED by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows:-

1--This Act may be cited as the Exchange Control (Amendment) Act, 1984, and shall be read and construed as one with the Exchange Control Act (hereinafter referred to as the principal Act) and all amendments thereto.

2--Subsection (1) of section 4 of the principal Act is hereby amended by deleting the words "Every person" and substituting therefor the words "Subject to section 6A, every person."

3--The principal Act is hereby amended by inserting therein next after section 6 the following as section 6A--

6A--(1) Any person not being an authorized dealer who is engaged in any trade or business by virtue of which he earns gold or foreign currency shall comply with such directions as may be given by the Minister to ensure that the gold or foreign currency is remitted to Jamaica and offered for sale in such manner and to such authorized dealer as may be specified for the purpose by the Minister.

(2) Every person who by the consent or permission of the Minister is permitted to retain and use any document to which section 6 applies or any gold or foreign currency shall comply with such directions as may be given by the Minister to ensure that the document or the gold or foreign currency is used and accounted for in conformity with the conditions subject to which the consent or permission of the Minister was obtained.

(3) For the purposes of subsection (2) the use of gold or currency includes any ancillary or consequential transaction arising from transactions in relation to which the consent or permission of the Minister was originally obtained.

(4) Any person who without reasonable excuse fails or refuses to comply with the provisions of this section shall be guilty of an offence.

(5) Notwithstanding anything in Part II of the Fifth Schedule, any person guilty of an offence under this section shall--

(a) on summary conviction in a Resident Magistrate's Court be liable to a fine of not exceeding fifty thousand dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment;

(b) on conviction before a Circuit Court be liable to a fine not exceeding three times the value of the gold or foreign currency or a fine not exceeding one hundred thousand dollars, whichever is the greater, or to imprisonment for a term not exceeding ten years or to both such fine and imprisonment.

(6) Where an offence punishable under this section has been committed by a body corporate, any person who at the time of the commission of the offence was director, general manager, secretary or other similar officer of the body corporate, or was purporting to act in any such capacity, shall be deemed to be guilty of that offence, unless he proves that the contravention was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and to all the circumstances."

#### Price Increases for Growers

Kingston THE DAILY GLEANER in English 25 Feb 84 p 14

[Text] A new policy direction in which a percentage of the returns on commodity exports is to be devoted to meeting some of the expenses of handling crops, has been announced by Prime Minister Edward Seaga. At the same time, he announced that the price for bananas had moved from 25.14 cents per lb to 42 cents, as a result of the devaluation of the Jamaican dollar.

Six cents of this increased return will go towards meeting the cost of spraying.

Mr Seaga, who was speaking informally at Jamaica House on Tuesday night to leading members of commodity organisations and large farmers who stand to benefit from increased prices for their commodities arising from the devaluation, said that Government's policy to divest and hand over to the private sector was being applied to the farming sector, because it was Government's view that the private sector could do "a more efficient and effective job of running its affairs than the Government."



In agriculture, that policy would be aided by the recent de-valuation of the Jamaican dollar, he said, and went on to add: "Devaluation means that the farming community will benefit considerably from improved earnings in the crops which they are growing. In some instances, a part of these earnings will be going to the commodity organisations to cover some of the expenses which the Government is now bearing and some will go to the farmers." The amount would vary according to the crop, the Prime Minister said.

Mr Seaga, who said it was important that the farmers and commodity organisations' heads recognise the thinking behind the course that the Government proposes to take over the next few weeks in this regard, added that while the commodity organisations would take over the running of their industry, Government would do its part in support of each industry.

He cited the case of bananas in which the present price of 25.14 cents per lb would move up to a total of 42 cents per lb. Giving a breakdown of both prices, the Prime Minister said that at the lower price, 12 cents went towards meeting basic material allowance, three cents was for quality bonus and 10.14 cents for boxing allowance. Under the new price, 16 cents was to meet basic material input; four cents was for quality bonus, 16 cents for boxing allowance, and six cents for spraying against Leaf Spot disease.

Mr Seaga said the deduction of six cents towards spraying costs was "in keeping with the position of responsibility that farmers must take over and absorb as part of the cost of running their industry."

He said the same principle would apply to coffee, to cocoa and to other commodities. "The total amount by which the coffee or cocoa farmer will benefit--some of it will go towards the development of the crop while the other part will go to the farmer."

In a discussion with the Gleaner later in the evening, the Prime Minister said that the price for lowland coffee from the 1983-84 crop would be increased from \$22 per box to \$27 per box--an increase of 23 percent.

The price of Blue Mountain coffee for the 1982-83 crop would go from \$80 a box to \$85 per box--an increase of 6 percent.

So far as cocoa was concerned, said the Prime Minister, for the October 1983 crop, the bonus payment per box would be increased from \$17.50 to \$20 per box--an increase of 17 percent.

First payment for the April 1984 crop would increase from \$15.06 to \$20.06--an increase of 29 percent. The bonus payment for April 1984 crop would be determined later.

He said the industry would also benefit from the services provided by the Cocoa industry Board in the areas of Extension, Black Pod Control, Nursery and Reserve Fund.

Mr Seaga was introduced by the Minister of Agriculture, the Hon Dr Percival Broderick.

The occasion was one of merriment in which the commodity organisations' leaders and farmers exchanged much light-hearted conversation with the Prime Minister and Dr Broderick.

#### Agricultural Credit

Kingston THE DAILY GLEANER in English 25 Feb 84 p 14

[Text] Credit to the farming sector provided by the Agricultural Credit Bank (ACB) and disbursed through the People's Co-operative Banks, is expected to exceed the \$23 million targeted for the end of March this year, states a release from the JIS.

Prime Minister, the Rt Hon Edward Seaga, told a Press conference at Jamaica House on Thursday that P.C. Banks had already disbursed \$20 million in loans under the new agricultural credit facility which came into being with the launching of the ACB in September 1982.

The Prime Minister said that the amount disbursed by the P.C. Banks represented the largest disbursement to farmers in a period of little over one year.

The fact that farmers were taking up loans, Mr Seaga said, indicated that they were responding to the policy direction of the Government. He said that the days of the "freeness mentality" were over and congratulated the ACB and P.C. Banks for handling their portfolios exceptionally well.

Outlining the areas in which the farm credit was being used, the Prime Minister said that 31% went to livestock; 23% to domestic food crops, nine percent to sugar, seven percent to horticulture, six percent to coffee, five percent to coconut, five percent to citrus, four percent to fishing, two percent to buildings and other facilities and eight percent to "others."

Mr Seaga took the opportunity to recall that the ACB was established to secure funds which it would, in turn, on-lend to private institutions to provide loans to farmers. He said that P.C. Banks and commercial banks were the institutions through which the loans were being made.

The ACB committed \$23 million to the P.C. Banks and of this amount, the P.C. Banks have already disbursed \$20 million.

The P.C. Banks had been strengthened in terms of staffing and other facilities to cope with the high level of new business in which they were now engaged.

The Prime Minister said that only two commercial banks have been ready to take up the funds provided by the ACB and they were advised to make the necessary adjustments to handle the new business.



Mr Seaga said that only the National Commercial Bank and Jamaica Citizens Bank--two Jamaican banks--were currently participating in the agricultural scheme of the ACB. He said that so far the NCB had taken up \$20 million and the Citizens Bank, \$2.5 million.

Pointing to the potential of the agricultural sector, and in particular, developments which were taking place under Agro-21, Mr Seaga predicted that he would live to see the day when the other commercial banks changed their attitudes towards agriculture.

CSO: 3298/580

## DEVALUATION BLAMED FOR \$29 MILLION LOSS AT AIR JAMAICA

Kingston THE DAILY GLEANER in English 24 Feb 84 pp 1, 3

[Text] Air Jamaica recorded a \$29.5 million loss for last year as a result of devaluation, according to the Minister of Public Utilities and Transport, the Hon Pearnel Charles.

Speaking in a debate in the House of Representatives on Tuesday on a Government guarantee of a loan of U.S. \$14 million from the Outreach Group of Panama to Air Jamaica, the Minister said that the money would be used to meet payments on the two A-300 air-buses bought last year on a lease/sale basis.

Accumulated losses of the airline since 1979 amounted to \$124.7 million--an average of almost \$25 million a year with the greatest loss recorded in 1980 at \$34 million.

Mr Charles said that Air Jamaica was unable to meet the payments on the air-buses as the airline faced the twin problem of increased oil prices and the world recession.

Acquisition of the airbuses and the consequent rationalisation of the fleet, leading to a lower operating expenditure in 1981 of 17 1/2 percent, had not been able to stem the flow of losses sustained by the company, he said.

The net effect of the recent devaluation, with the U.S. dollar being now computed at \$3.30 (up from \$1.78) was a \$36-million increase in debt-servicing while the company was carrying a \$50-million bank overdraft.

Mr Charles said that the main factor affecting Air Jamaica's profitability was its inability to expand revenue at a sufficiently substantial rate.

Gross revenue in 1982 was less than in 1979 and the gross revenue for 1983, although improved, was only 25 percent over 1980.

Noting that the company projected that the level of losses in 1984 should be reduced to about \$18.9 million, Mr Charles said that the airline's inability to expand revenue was due to the uncertain and weak recovery in the airline economies in the major world nations, particularly the U.S.A.

"This affects not only Air Jamaica but all international airlines. In 1981/82, British Airways lost 544 million pounds sterling, inclusive of extra-ordinary charges; Braniff Airline went into bankruptcy as well as Laker; and the world-famous Pan American had to sell its headquarters to pay creditors," he told the House.

On the positive side, he said that there was good reason for the support of Air Jamaica, provided the Company was run efficiently.

Giving statistics to show the number of tourists arriving on Air Jamaica as against other airlines, Mr Charles said that in 1978 the airline brought in 46 percent of the arrivals; 1979, 56 percent; 1980, 55 percent; 1981, 43 percent; 1982, 46 percent and 1983, 48 percent.

In the event of the "demise" of Air Jamaica, foreign airlines would necessarily expand to take up the slack, he said, adding that it was the national airline that had to operate from Jamaica whether in good or bad times.

The airline was playing a vital role in support of export agriculture, Mr Charles said, earning over \$19 million from freight charges in 1983.

Northward journeys, which were fully booked for freight up to April, carried 90 percent of capacity for agricultural products for sale in North America. The rate charged was low, he said, to allow the farmer to be competitive in these markets.

Air Jamaica provided useful employment for 1,077 persons (down from 1,400 in 1980) whose skills varied from the high-skill levels of aeronautics, finance, marketing and data processing to relatively unskilled workers.

The company aims to attain self-sufficiency in maintenance and technical services to reduce operational costs; to introduce a cost control unit; and to "beef up" its marketing and sales thrust.

Mr Charles said that it was on these grounds that support was sought for the loan of U.S. \$14 million which had already been granted.

The Member of Parliament for West Central Kingston, Mr Derrick Smith, said that some very serious thought must be given as to what the Government should do with Air Jamaica, as the airline was costing the country "some serious money."

Mr Neville Murray (West Central St Mary) and Mr Pat Stephens (West St Andrew) joined in the call for the Government to review its position on Air Jamaica as it was costing the country too much money.

The Minister of State in the Ministry of Tourism, Dr Marco Brown, supported the approval of the Government guarantee on the ground that the airline was serving the tourist industry which was bringing in foreign exchange.

The Leader of Government Business in the House, the Hon J.A.G. Smith, who moved for the approval of the guarantee on behalf of the Minister of Finance, contained in Ministry No 9 said that the problem of capitalisation and management of Air Jamaica was no secret.

The loan is to be repaid over 8 years in 16 semi-annual instalments commencing June 30, 1985. It carries an interest rate of 13 percent.

The guarantee was approved under the provisions of the Approved Organisations and Authorities Loans (Government Guarantee) act.

CSO: 3298/581

## MILK PRODUCTION SETS RECORD; DAIRY HERDS IMPROVE

Kingston THE DAILY GLEANER in English 25 Feb 84 p 14

[Text] Alcan Jamaica Company recorded its highest ever milk production of 7.2 million lbs or 2.78 million quarts from a daily average of 771 cows in 1983, states a release from the company.

Average production per cow per day was 9.86 quarts, which exceeded the last three-year average of 9.7 quarts, while simultaneously increasing the stocking rate from .60 to .80 cow per acre.

In 1982, milk production was 6.9 million lbs or 2.66 million quarts from 747 cows, averaging 9.76 quarts per cow per day.

On a per acre basis, Alcan's dairy farms which are non-irrigated and utilizing 50% mined and restored lands, produced 1,427 quarts of milk and 158 pounds live-weight during 1983.

Other areas of improvement were in the reproductive performance of the herd, achieving an average calving interval of 370 days and an average lactation period of 308 days.

At year end the dairy herd numbered 2,200 heads of Jamaica Hope purebreds and grades. General improvements were noted in nearly all the technical co-efficients of production during 1983. Credits for these are a dedicated workforce, constant pasture improvements and demonstrates levels of performance obtainable for Jamaica Hope Cattle under commercial farming conditions.

CSO: 3298/581

## BANKERS HELD ON CURRENCY CHARGES; SEAGA SCORES DEALINGS

## Montego Bay Investigation

Kingston THE DAILY GLEANER in English 25 Feb 84 p 1

[Text] Two senior officers of a commercial bank in Montego Bay have been held by the police in connection with what is described as a billion dollar U.S. currency racket.

Police sources told the Gleaner yesterday that the racket uncovered involved the purchasing of U.S. currency at a rate of \$4 Jamaican dollars, for one U.S. for a number of leading companies in Jamaica.

Investigations which led to its discovery followed the apprehension of a number of illegal currency dealers in Montego Bay and Kingston. According to police one of the illegal currency dealers who was recently held had in his possession a number of foreign exchange receipts from the bank in question.

After intensive investigation into the bank's activities the police on Thursday swooped down on the local branch in Montego Bay when "massive irregularities" in foreign dealings were uncovered.

Up to late yesterday evening the two officials were being interrogated, police said. Police declined to name those held as investigation was still continuing.

An investigating officer told the Gleaner, however, that the figure involved was "mind boggling" and could reach over a billion U.S. dollars.

## Seaga 'Black Market' Charges

Kingston THE DAILY GLEANER in English 25 Feb 84 p 3

[Text] Prime Minister Edward Seaga said Thursday that the Government now had evidence from the police that commercial bank managers were involved in siphoning off foreign exchange into the black market.



Mr Seaga who was answering a question as to whether the Financial Intelligence Unit (F.I.U.) had been reformed, during a press briefing at Jamaica House on Thursday said that a good part of the blame for what was happening with regards to foreign exchange in the country could be laid at the doors of the banks.

He said that the evidence showed that not only were some managers circumventing the rate of exchange, but they were also making deals with individuals at higher rates of exchange and that some of the foreign exchange was not passing through the banks.

He said some dealers in foreign exchange had admitted dealing with bank managers in these illegal transactions. However, there was no evidence that the banks themselves were involved in those actions but they had been informed of the situation.

Mr Seaga said that while the Government would not revive the Financial Intelligence Unit (FIU), it would not relinquish its responsibility to ensure that foreign exchange was handled within the confines of the law.

The Prime Minister said: "We have no institution called the FIU, and we have nothing that has taken its place. But the Government has never relinquished its responsibility in terms of ensuring that foreign exchange will be handled in accordance with the law, and that where there are offences committed in respect of transactions in foreign exchange, the Government has not and will not relinquish its responsibility in regard to that.

Mr Seaga also told the meeting several cases had come to the Government's attention recently about large scale movement of foreign exchange which were being investigated by the police and on which disclosures would be made soon.

Mr Seaga said that there was some \$170 million in foreign exchange which was not reaching the system, which meant that the problem was not simply earning foreign exchange but getting it into the system.

He said that there had been a \$42 million foreign exchange leakage in the hotel industry while the rest was lost through tourist expenditure on the streets and Postal Orders and other remittances from Jamaicans living abroad. The Government's intention was to pull as much as this as possible into the system.

He said that the new credit measures were introduced to decrease the amount of funds available locally to purchase those dollars on the black market.

Mr Seaga said that a good part of the blame for what was happening in this area must be laid at the doors of the commercial banks.

CSO: 3298/581

## SEAGA OFFERS RATIONALE FOR RECENT TRIP TO COSTA RICA

Kingston THE DAILY GLEANER in English 24 Feb 84 p 1

[Text] Prime Minister Edward Seaga yesterday reacted to the issue over his recent trip to Costa Rica which was raised by the People's National Party in a statement published yesterday.

Mr Seaga told a press briefing at Jamaica House:

"There has been some query raised as to the visit which I paid to Costa Rica. I had been for some time in receipt of invitations both by the previous Government of Costa Rica and the present Government, to visit that country because it is conceived that there is a natural linkage between Jamaica, which is the largest of the English-speaking countries in the Caribbean (and) which is a democratic country, and Costa Rica which is the most important democratic country in Central America.

"I accepted this invitation towards the end of last year and the normal arrangements would have been to have indicated a week before departure the intention to make the visit. But it was at that time that the question arose as to my visit to the IMF to carry out discussions at the high level of the Managing Director. So I had to put the visit on 'hold' because it was impossible to determine how long I would have had to spend in Washington.

"Having had these discussions on Monday evening last (week), the decision was taken on Tuesday that I should proceed with the visit as I would no longer be needed in Washington. Hence I proceeded on the Wednesday and the first notification of that visit appeared on that day, Wednesday."

The PNP in its statement had described Mr Seaga's visit to Costa Rica as "mysterious" and commented that there was no advance notice to the public of the visit.

CSO: 3298/581

## GLEANER CARRIES SPECIAL REPORTS ON PNP ACTIVITIES

[Editorial Report] As part of its recent introduction of a new format, THE DAILY GLEANER of Kingston has begun to carry occasional compilations of brief news items under the standard heading "The PNP Says." A textual sample of such a piece, from page 3 of the 23 February 1984 issue of the GLEANER, follows:

[Text] Dr Paul Robertson, General Secretary of the Party:

"The People's National Party is extremely concerned about the increase in incidents of police brutality in what can only be described as torture, and the rough treatment being meted out to women who are being detained.

"Two recent very disturbing incidents of torture which have come to the attention of the Party's Human Rights Commission are the beating, kicking and electrical shocking of Miss Valda Taylor at the Hunts Bay Police Station and the peppering of the eyes and genitals of a young man from rural St Andrew who was detained in connection with the recent killing of a policeman.

"Both persons have been released without being charged and medical examinations have substantiated their ill-treatment.

"The Party is also concerned about a report received today (February 17) in which a young man in Greenwich Town who had been held and handcuffed by the police and who was shot in his back and killed while attempting to escape."

Mr Bobby Pickersgill, the Party's spokesman on Public Utilities and Transport expressed concern about the plight being experienced by students in getting to and from school. He said calls had been received at the Party's headquarters from parents in the Corporate Area about problems being experienced by their children since the new public transportation system had been introduced in early January.

These complaints included children being late for school despite leaving home before dawn and returning home from school late in the evenings because priority was still being given by some bus operators to adults.

Mr Pickersgill said that 15 JOS buses were to be allocated to the present franchise-holders in the Corporate Area to be used specifically for school children, but as there were over 40 routes this could prove to be inadequate.

Mr Pickersgill reports that the Permanent Secretary of the Ministry of Public Utilities and Transport has not yet sent a written reply to the Party in response to the Party's concern about the protection of the assets of the Jamaica Omnibus Service.

Mr Pickersgill said he was still receiving reports which indicated that these assets were being disposed of without the normal impartial system of sale by tender. In addition he was concerned about the security of these assets.

CSO: 3298/582

## HOUSE DEBATES, EXTENDS SUPPRESSION OF CRIME ACT

Kingston THE DAILY GLEANER in English 23 Feb 84 pp 1, 3

[Text] Extension of the Suppression of Crime (Special Provisions) Act was opposed by a member of the public, Mr Jah Lijj, of the Royal Ethiopian Juda-Coptic Church, at the Bar of the House of Representatives on Tuesday night, as the measure met with reservations and criticisms by Members of the House.

After a full-dress debate, the Act which gives wide powers to the Security Forces was extended for another six months starting from Monday last and running to September of this year.

Mr Lijj, who was the second member of the public to appear before the Bar of the House in the new Parliamentary order said that he sensed an opposition in the "mood and desire" of the general public against the extension of the Act.

After being cautioned by the Speaker, the Hon Alva Ross, to stick to the text of his presentation, Mr Lijj at the end of his presentation appealed to the House for tolerance in dealing with members of the public making contributions as they were not conversant with the rules governing Parliament.

Addressing the House in Committee, he said that "special measures, logically, should deal with special situations and discretionate responsibility must be exercised lest they be abused beyond their effective service; be allowed to produce a reaction in public sentiment and/or threaten that which they were originally introduced to remedy."

Mr Lijj said that a return to normality was generally considered to be the best atmosphere in which to assess the effect of such special measures and explore the feasibility of other remedies, adding that reports from the Ministry of National Security indicated a reduction in the national crime rate. He said that many categories of the nation's essential services were daily expected to cope with extraordinary circumstances without the aid of special privileges and provisions which threatened the fundamental rights of citizens.

Moving for the extension of the Act, the Minister of National Security and Justice, the Hon Winson Spaulding, said there had been an overall marked decline in the incidence of violent crime in the last three years.

"While we are benefitting from this relative improvement, there are peaks and valleys in the fluctuation of criminal activity. In this respect, during the past few months there have been serious disturbing developments in gun crimes and violent criminal activity," he said.

Mr Spaulding referred specifically to the first week of January in which he said there was an upsurge in gun crimes in certain sections of Kingston and St Andrew and said it was to the credit of the Security Forces that they had taken special actions in response to the situation.

Col Leslie Lloyd, the Member of Parliament for East Central St Andrew cited figures to show fluctuations in violent crimes between 1970 and 1983, with 1980 recording the highest cases of murder at 889. He said that it was his personal feeling that many security officers in the execution of their duties "tend to build too many walls and not enough bridges."

Col Lloyd pointed to what he said was an effort to project the view that the Security Forces should not be "a repressive figure within the community," but from time to time associating themselves and forging links deep down in the community.

However, he said that some anxiety had been expressed about excesses on the part of "exuberant or the malicious" element in the Security Forces.

Stating that these authorised men and women had been handed sweeping powers, he told the House that he was also very much aware of the excesses and unkindness of other factions within the ranks and file of the Forces.

"It is well known that the Security Forces have a major job of sifting for the suspected persons and in so doing they will have to interview and process many innocent persons. We must therefore place a vigil on the use of these powers," he said.

Col Lloyd recommended an examination of the unemployment situation among youths, the development of better public relations between the Police and the public, improved conditions to work for the members of the Security Forces, and the appointment of a joint select committee to examine crime in Jamaica.

Col Lloyd said: "It is expedient that as a Government which believes in equal rights and justice, we put into effect the commitment given in Paragraph 6, Section 5 of our Manifesto for a special Ombudsman to deal with complaints of or against members of the Security Forces."



Mr Howard Wedimire (South Westmoreland) said he supported the spirit of the Bill but not necessarily the entire letter of it. He said that there was a need for the Police to improve its public relations in the fight against crime; and the public must be satisfied that investigations and complaints against the Police are seriously and speedily dealt with.

Noting that the country was passing through serious times which require very serious measures, however, he said some of the measures in the Act could be described as nothing short of "draconian."

Mr Wedimire said that the section of the Act which allowed the Security Forces to seize, take away and detain any vehicle which it was reasonably suspected was intended to be used for the commission of an offence, meant that "we are going to have to have reasonable policemen to enforce the Act."

Declaring that it did not matter who introduced the Act in 1974 but what was done under it, he repeated Col Lloyd's call for the setting up of an Ombudsman to receive complaints against the Police and for the improvement of their conditions of work.

The Minister of State in the Prime Minister's Office, the Hon Mike Henry called on the House to weigh very carefully the points raised in the presentation by the member of the public while asking the House to consider whether the Act was not being institutionalised for what was designed as a temporary measure.

He noted that the reduction in crime in the last three years could be attributed to the freedom Jamaicans now enjoyed, expressing the hope that when the Act came to the House again the move would not be to extend it but to examine the results it had brought in the last ten years.

"Crime was never considered when it existed in the urban areas below Cross Roads; but as it moved up into other areas to threaten the Haves as against the Have-nots, it took on greater importance," he said.

"I am asking us to understand what it means to those people who live without the production of privilege or position to face the real awesome power to be held, to be detained without possibly any recourse."

Speaking in support of the extension of the Act were the Hon J.A.G. Smith who said that it was better to have power and not use it rather than not to have it all; Dr Joan Chung (East Central St Mary) who requested the Minister to re-site a Police Station in Highgate; Dr Horace Chang (Western Hanover) who said that the Security Forces needed the legislative and logistical support to do their job effectively; and the Hon Pearnel Charles, Minister of Public Utilities and Transport.

Mr Spaulding, in closing the debate, said that steps were being taken to strengthen the complaints channel against the Security Forces, as a team of Jamaican experts were examining approaches to this problem.

He added: "No amount of political terrorist propaganda is going to make us let up, so that people can terrorise the society again. We will investigate all charges and take action on justified allegations, but we will not refrain from justified action against terrorism."

Mr Spaulding charged that there were people in the society who were carrying out a plan of "lying" against the Police to destroy the credibility of the Force.

Declaring that "we did not introduce this Act" but, as the Opposition in Parliament supported it at the time of introduction, he quoted former Prime Minister Michael Manley as saying that complaints against the Police under the Act would fall on deaf ears. However, the difference between Mr Manley's Administration and the JLP Administration was "we are going to listen to complaints," he said.

CSO: 3298/582

## BRIEFS

VAZ ON IMPORT LICENSES--Following the publication in January 1984 of a list of items retained on the import licensing regime, a number of items have since been removed from import licensing requirements. The Minister of Industry and Commerce, the Hon Douglas Vaz said last night he had been informed that a number of importers have been experiencing difficulty in clearing certain of these goods through Customs because of uncertainty as to whether those goods require licence or not. Mr Vaz said he had decided that as the review of the list of items to be removed from licensing was ongoing, until the amended final list of items which do not require licence is published, the following regime will prevail: "Where items have been removed from import licensing since the publication of the list of January 1984 and doubt exists about a particular item or the Customs require that an import licence be produced, the Trade Board will stamp 'CLEARANCE AUTHORIZED' on such licence application which the Collector-General will take as his authority for release of goods without requirement of an import licence." [Text] [Kingston THE DAILY GLEANER in English 23 Feb 84 p 1]

CSO: 3298/582

## REAGAN ADMINISTRATION IMMIGRATION, CUSTOMS POLICIES ATTACKED

## Border Patrol Reinforcement Called 'Unfriendly'

Mexico City EXCELSIOR in Spanish 6 Feb 84 pp 5-A, 30-A

[Article by Aurelio Ramos M.]

[Text] Senators on the Agrarian Reform and Foreign Relations committees yesterday described as "unfriendly and imprudent" President Ronald Reagan's decision to reinforce patrols along the U.S.-Mexico border as part of a planned "head-on battle" against illegal aliens, cautioning that the move clouds future relations between the two countries.

Gonzalo Martinez Corbala, a legislator from San Luis Potosi, urged the U.S. Congress to reject Reagan's request for more funds to reinforce police patrols along the border and, instead, "to consider the possibility of giving financial support to our social development programs in rural areas of Guanajuato, San Luis Potosi, Oaxaca and other states from which braceros come."

Heladio Ramirez Lopez, who represents Oaxaca in the upper house, said that the police measures would not resolve the problem of illegal aliens. He noted that Mexican workers have subsidized with their labor the development of a powerful economy in the southwest United States and that Reagan's "mistaken approach" to the bracero problem might be a good political campaign tactic but infringes on the human rights of these workers.

Reagan's action, Ramirez Lopez stressed, is an unfriendly gesture to a country like ours, which has shown that it is a good neighbor. He added that the "battle" against illegal aliens, together with other steps such as an excessive protectionism that limits our exports of tuna, steel, beer and other items, is part of a clear-cut effort to pressure the Mexican Government.

He denied that Mexican workers are displacing American workers, noting that "they only take jobs that Americans would not do." He then emphasized that the elementary rights of our fellow countrymen are often violated, even though their labor has contributed to the vigorous development of the southwest United States.

Ramirez Lopez recommended that the Mexican Government use every diplomatic and political means to assert its viewpoint on this matter without interfering in domestic U.S. affairs. He added that the next U.S.-Mexican joint congressional meeting would have to play a fundamental role in this issue.

#### The Braceros Are a Social Problem

Martinez Corbala, from the Foreign Relations Committee, and the Oaxaca senator on the Agrarian Reform Committee were interviewed separately in their offices in the Senate of the Republic. Martinez Corbala was confident that the U.S. Congress would not approve Reagan's request for funds because "it is obvious that the braceros are a social problem, not a patrol or police problem," he said.

The legislator from San Luis Potosi underscored the importance of earmarking funds for the economic and social development of Mexico's rural areas, which are the source of emigration to the United States because of the lack of well-paid jobs.

He acknowledged that Mexicans themselves bear the primary responsibility in this matter, but "we would not mind if the U.S. Congress considered the possibility of giving financial support to our development programs. The U.S. administration's moves will not resolve the problem; they will merely create unnecessary tensions between our two countries."

Nevertheless, he ruled out the possibility that Reagan's actions are part of a full-fledged plan to pressure Mexico. The fact is that the United States is unaware of our common problems, because it is to the advantage of the United States more than any other country that our social problems not intensify, Martinez Corbala concluded,

#### Compensatory Tax on Steel Faulted

Mexico City EXCELSIOR in Spanish 8 Feb 84 p 12-A, 13-A, 23-A

[Article by Jaime Contreras S.]

[Text] While Fernando Canales Clariond, the vice president of CONCANACO [Confederation of National Chambers of Commerce], yesterday accused the Reagan administration of "political short-sightedness" for applying a compensatory tax on Mexican steel, which will boost unemployment and lead to "more emigration to the United States, which they complain about so much there," Ignacio Barragan de Palacio, the president of CANACINTRA [National Association of the Processing Industry], urged the government to push "hard" for a trade agreement with the United States because if the trend persists, "we will continue to be the good neighbors and they the neighbors."

For his part, Gustavo S. Cortes, the president of the National Iron and Steel Chamber, reaffirmed that the 4.98 percent tax on Mexican steel products "substantially curtails our exports to the U.S. market and leaves many producers practically unable to compete."

In this vein, Jaime Espinoza Delgado, the vice president of CANACINTRA, described the current administration's bargaining capacity as "weak," "because it apparently was unable to convince the United States that our sales to them are aboveboard, with no dumping." Moreover, he noted, "the Commerce Secretariat's policies are inconsistent, because on the one hand it opens the door to imports and on the other it allows these taxes on our exports."

Speaking on behalf of CONCANACO, Canales Clariond emphasized that whereas the U.S. Government protects foreign trade from countries such as Taiwan, Korea and Japan, "it applies compensatory taxes on Mexico, one of its neighbors, even though the decision will affect them too in the short run."

He went on to say: "The Americans are very good technocrats but poor diplomats. We Mexican producers are not looking for preferential treatment or special situations; we just want agreements like the ones with Japan or Korea."

He recommended that both the Foreign Relations Secretariat and the Secretariat of Commerce and Industrial Development "negotiate satisfactorily for the benefit of domestic production, to prevent this adverse levy from being applied to the steel sector, especially now when domestic demand has plummeted more than 50 percent."

He hinted that the U.S. Government's move might be motivated by "revenge for our official positions on many issues, which have an anti-U.S. slant to them." He ruled out, however, that the move was made to pressure us into joining the General Agreement on Tariffs and Trade.

#### Does Not See Tax on Oil and Gas

CANACINTRA leader Ignacio Barragan de Palacio stated that he did not feel that such taxes would be applied to our crude oil and gas sales to the United States. "Someone who wanted to destabilize our good bilateral relations might start a rumor like that, but I don't think that [line missing]."

The policy of applying compensatory taxes is unjust, Barragan said, adding that "Mexico in no way subsidizes its exports. We have no effect on their external market, and therefore the measure should be studied in depth and revoked." In fact, "it is beneficial when our goods compete with their industries' goods. We engage in fair competition."



The processing industry leader agreed that there might be a protectionist trend in the United States against Mexican goods. "But I think that our authorities should be on the alert to prevent this from happening. What we have to see to is that if the 'good neighbor' policy is going to be pursued, we should be equals: both good and neighbors, both sides," he stressed.

He felt that if the United States decides to levy compensatory taxes on corrugated bars, copper derivatives and shoes as well, "then we will indeed be the good neighbors and they the neighbors."

#### Mexican Steel Orders Canceled

The president of the National Steel Chamber (CANACERO) pointed out, for his part, that several U.S. importers "have voiced their decision to cancel orders from Mexican producers, and others have been seeking suppliers in other countries, because they say that they are unwilling to post a bond while the U.S. Commerce Department makes its final ruling."

Gustavo S. Cortes described as "flimsy" the U.S. argument that Mexico is hurting the U.S. steel industry with its exports. "The volume is insignificant in relation to total steel consumption on the U.S. market."

In conclusion, the vice president of CANACINTRA, Jaime Espinoza Delgado, urged the Mexican Government to engage in ongoing negotiations with the United States to hammer out a mutually beneficial bilateral agreement that would serve as the groundwork for "a permanent, not short-run" expansion of our foreign trade.

#### Unity: The Only Answer

In an official press release, CONCANACO asserted that "unity among Latin businessmen, who represent a population of over 300 million, is the only way to counter the actions of the strongest economy on earth." Only through joint strategies "will we prevent restrictions or protectionist measures that contradict the United States' offers to support Latin America's development."

Unity will enable the subcontinent "to be more than just a supplier of raw materials for American industry," the business organization continued. It urged the marketing of manufactured goods that will help to bring in the foreign exchange "that is needed to finance the sound development of our countries."

CONCANACO also announced that the Fifth Hemispheric Congress of Latin Chambers of Commerce and Industry would meet for 3 days in Mexico and would seek "to counter the growing intervention of government in the economy" throughout Latin America.

## VELAZQUEZ SEEN AS BENEFICIARY OF DISUNITED LABOR CONGRESS

Mexico City PROCESO in Spanish No 378, 30 Jan 84 pp 28-30

[Article by Salvador Corro]

[Text] In its 18th year, the Labor Congress (CT) is on the verge of collapse. Its defects and contradictions, and a government policy that strikes at and hamstringing it, are converting the leadership of officially organized unionism into a paper tiger.

Its image is damaged. Its structure presents fissures. In practice it cannot defend or achieve successes for its 9 million members. Its own leaders recognize this and the facts show it. With its debilitation, it pays the social cost of the economic strategy of President Miguel de la Madrid Hurtado.

Thus the CT, from endorsing government economic policies, has turned critical, but its internal weakness prevents its proposals from gaining momentum and from being taken into account by the government.

The actions undertaken by the Labor Congress in most recent months have not been followed through. Some examples: the summons to a general strike agreed to in 1983 was observed by only a few offices; the decision to defend the Constitution and achieve a decent minimum salary, remained at a 30.4 percent increase; the anger about current economic policy and the petition for it to change, was not acted on; on the contrary, it was expressed in further increases in the prices of basic articles.

Nor could it prevent the government from intervening in the union activities of some organizations. The negotiations that sought to resolve the nuclear industry workers' dispute, never got beyond the negotiating stage: the call to unity within the congress, was disdained by other organizations which, far from heeding it, intensified their attacks and also the dispute for control of the unions.

At the same time that economic policy is wreaking havoc among the workers, the leaders are maneuvering. In the crisis, a toss-up victory by the leaders. Some threatened to get out of the Labor Congress. Others continued to court government officials, before whom they supported the economic policy which later on they themselves criticized.

And the big winner was Fidel Velazquez. His experience and skill have allowed him to survive. His big secret has been to capitalize on the mistakes of the other unions. He even takes pleasure in criticizing the government's economic policy, demanding it be modified and a few hours later breaks bread in private with the president of the republic.

The Labor Congress cannot act as a whole. Not even the leaders of which it is composed can agree on where the trouble lies. For some, the organization is "affected by deep differences and is kept divided. For others, there are neither division nor differences. On the contrary, there is more unity than ever."

Nonetheless, the effects can no longer be hidden. As the president of the CT was waiting to talk to the secretary of mines and parastatal industry, Francisco Labastida Ochoa, to seek a solution to the nuclear [power] workers' dispute, the company sought to maneuver in order to remove the secretary general of the SUTIN [Sole Trade Union of Nuclear Industry Workers], Arturo Whaley.

"This was not only an attempt to dismember the SUTIN, but all of Mexican trade unionism. It is an obvious attempt to divide the Labor Congress," explained the Labor Congress president, Capt Homero Flores.

Warning of the dangers of that policy which is about to dismantle the leadership of official trade unionism were given from the start of the present administration. The government, in order to carry out its policy, has leaned on some organizations that have gradually undermined the structure of the congress.

On 20 November 1983, Angel Olivo Solis, leader of the Revolutionary Workers Congress (COR), gave very clear notice to the president of the country. He said:

"There is a need among the upper echelons of government and among labor leaders, too, for a better understanding and functioning of the alliance between the workers' movement and the government."

"In some government circles there is no proper understanding of this important matter, which has led to confusions which may have very negative consequences."

"Nothing could justify the attempts by the government to take control of union life. The absolute respect for the unions' self-determination and independence by the government is a compulsory prerequisite for relations between the labor movement and the government to be cooperative."

A few days later, the COR received a hard blow. The Soft Drink and Related Industry Workers' Union, which has 18,000 members, announced it was leaving the COR to become a member of the CROC. This maneuver was interpreted, within the CT, as a punishment for Olivo Solis.

Although the leaders do not say that their organizations serve as advocates for government officials and government policy, the names are an open secret: the CROC, the Mexican Regional Labor Confederation (CROM), the Revolutionary Labor Confederation (CRT) and the Federation of Labor Unions in the Service of the State (FSTSE).

Within the CT, these organizations have played an important role to counter-balance the CTM [Confederation of Mexican Workers]. Notwithstanding constant criticisms, even by Fidel Velazquez himself, these organizations keep deferring to the government.

Around the beginning of December, the CT issued a public declaration in which it defined its position, analyzed the situation in which the country finds itself and put forward some claims. The document was not approved by the leader of the FSTSE, Manuel German Parra. It contained criticisms which he would not have wished to be aired in public.

The day after Fidel Velazquez denounced the policy of economic regulation that the government is applying is paying a very high social price and that it should be modified, the CROM and the CROC visited President Miguel de la Madrid, accompanied by the secretary of labor, arsenio Farrell Cubillas. On that occasion they delineated views opposed to those held by the CTM.

Salvador Orozco Loreto, leader of the CROC in Jalisco, said in his speech: Our organization will not divulge points of view that "may create confusions in public opinion." He added, "We are for defending the interests and the rights of the workers and not for becoming critics or troubleshooters for problems and solutions which we know their government is solving."

The tone used by the CROM was no different. The president's friend, Cuauhtemoc Paleta, declared: "In a government like the present one, with broad participation and respect for pluralistic society, nobody can stay on the edge of collective responsibilities, privileges or sectoral interests."

The CROC has not desisted from the policy it has been following for several months. Practically since it was described by the secretary of labor himself as the union headquarters called to be the vanguard of unionism, its efforts have been concentrated in that direction. Moreover, it will soon be openly a luxurious building.

This organization alternates criticism of the CT and of Fidel Velazquez with expressions of support for government officials and economic policy. Thus for example on 14 January in Cancun, Alberto Juarez Blancas asked for the restructuring of the Labor Congress and criticized its operation.

But the negotiation to fix the minimum wage no longer left doubts about the role of the labor union organizations. After the 34 organizations which make up CT agreed to reject any increase of less than 40 percent, they finally accepted the 30 percent the government imposed on them.

In the most recent negotiation held by the representatives of the CTM, CROC, CRT and the miners' union, and headed by Fidel Velazquez himself and the president of the CT, Homero Flores, with the secretary of interior, they did not even express their disagreement.

Far from doing so, the representative of the CRT said point-blank: the instructions of my office are to accept the government proposal to grant a 30-percent increase. Although the representatives of the miners and of the CROC had spoken before they had not defined their position either.

Fidel Velazquez's skill allowed him to maneuver and come out relatively unscathed. It was up to him to communicate officially to the secretary of interior that "in order to preserve the unity of the labor movement and as a sign of common cause with the government, the government proposal is accepted."

Later came the criticisms of the CRT, the CROC and the miners. There were CT members who accused these organizations of treachery. What is more, Leonardo Rodriguez Alcaine, leader of the Federal Electricity Committee workers and CTM Executive Committee member, even proposed that his office leave the CT.

"We have the strength needed to be able to act alone. There is no reason we should put up with treachery," he declared.

The concern about the organization starting to lose strength now is obvious in some leaders. Its president, Homero Flores, thinks that if unity is not achieved, if current differences are not surmounted, the workers could become even more defenseless.

These fears are not unfounded. The case of the nuclear industry workers is illustrative. Despite the support and intervention of the CT, this problem not only has been protracted, but threatens to go against them.

Another conflict is drawing near which, if not looked after in time will also lead to a difficult problem. The Mexican Electric Industry Workers' Union called a strike on the Central Light and Power Company owing to revision of its collective contract. The firm has now come up with its proposed contract, which cancels my advances by the workers and opens the door to working on a contractual basis.

The electric industry workers are not prepared to accept the foregoing and foresee that the company wants to lead them into a conflict similar to that of the nuclear industry workers in order to kill the union.

The SME has requested the support of all organizations. The CT needs to support it. Nevertheless, differences prevent union organizations from acting as a whole. Fidel Velazquez recognizes this.



Homero Flores is of the same opinion. But he explains: "The differences and divergences occur on the leadership level. The rank and file are united. The crisis is uniting them."

He adds that the CT is going through a fundamental stage. "In spite of differences, most member organizations, 25 out of 32, are heading in the same direction. There are a few which still do not accept selfcriticism, which do not wish to recognize that they must change their union life and become more democratic."

"The key to making the CT work is unity. But not all union organizations seek it. Though unity is a prime concern for a few, others are intent on other interests."

There is no doubt, he says, that there are union headquarters which diverge from the interests of their members. "We would ask them with whom they identify: With the interests of the workers? With those of some officials? With the government?"

The Labor Congress is really a paper tiger. Its defects have it tied up. Its claims have been listened to, but not looked after.

Its criticisms are not effective.

12248

CSO: 3248/429



## LUGO VERDUZCO TO TOUR AREAS OF PRI ORGANIZATIONAL WEAKNESS

Mexico City EXCELSIOR in Spanish 13 Feb 84 p 4-A, 32-A

[From "Political Fronts" Column by Humberto Aranda]

[Excerpt] There are official data that the leftist and rightist parties together have one-third of the votes in the country while the PRI [Institutional Revolutionary Party] which won 83.03 percent of the vote in 1980 received only 67.23 percent of the votes cast in 1983. This will have repercussions this year on the work rate of the PRI.

Acceleration of PRI organizational tasks will become evident with a series of tours by Adolfo Lugo Verduzco. The cadres in states where there will be municipal elections this year and where there are major cities in which the opposition is very strong will be reinforced.

Lugo Verduzco will tour Sonora next week after a tour through Tabasco this week. His party will fight the PAN [National Action Party] for the governorship there in 1985. He will travel to Coahuila next.

At the same time, the PRI top command has already decided to send Florencio Salazar to Yucatan as general delegate; appointment of its delegate to Coahuila is pending. It is also planning to strengthen its delegation in Mexico State.

The PRI sees a difficult electoral battle in Monclova, Torreon and Saltillo in Coahuila State and in Merida, Progreso, Tecax and Tizimin in Yucatan. In Mexico State it will have to give full treatment to Naucalpan, Tlalnepantla, Nezahualcoyotl and other small municipalities where the opposition has become considerably stronger in the last 3 years.

7717

CSO: 3248/479

## YUCATAN: PRI FEAR OF PAN VICTORY SEEN IN ALPUCHE'S DEPARTURE

Mexico City PROCESO in Spanish No 381, 20 Feb 84 p 24

[Article by Elias Chavez]

[Text] To save the PRI [Institutional Revolutionary Party] from a defeat in municipal elections in Yucatan this year, the federal government replaced Governor Graciliano Alpuche Pinzon. His ineptitude and unpopularity made him the best ally of the PAN [National Action Party].

Officially, General Alpuche Pinzon asked the state congress for permission on Thursday, 16 February, to leave the governorship for 6 months "for personal reasons." To complete the procedure, the Yucatan deputies appointed federal deputy Victor Cervera Pacheco, former senator, former leader of the CNC [National Peasant Confederation] and former mayor of Merida, as interim governor.

The truth is that Alpuche Pinzon had gone to Mexico City the day before, summoned by the Secretariat of Government. He returned to Merida Thursday in a Federal Security Directorate airplane, accompanied by Cervera Pacheco who already knew he would be appointed governor.

In addition to his ineptitude, Alpuche Pinzon has had bad luck ever since he held a rally as candidate for governor. At that rally in the Merida Plaza de Toros, several dozen Yucatan people died in a collapse "caused" by the PRI.

Away from Yucatan for almost 40 years, Alpuche Pinzon returned as governor because of his military position and that unwritten law that gives the army a certain number of political positions: governors, senators and deputies.

His move and his ineptitude soon began to cause problems for him. In less than 2 years, three PRI state presidents resigned: Jorge Jure Cejin, Luis Hernandez Alcocer Aranda and Jose Castro Brito. They alleged the usual "personal reasons" or "reasons of health."

He caused division in his own party. This led Everardo Gamiz Fernandez, PRI general delegate in Yucatan, to admit 9 months ago that the governor did not have the sympathy of all the PRI members "since he was no gem."

The division in the PRI ranks was resolved by the new PRI state president, deputy Dulce Maria Sauri Riancho. She managed to unify her comrades--against the governor.

The confrontation between Alpuche and the PRI became open recently. Instead of resigning like her three immediate predecessors, the PRI state president--supported by national leader Adolfo Lugo Verduzco--organized her supporters and put them up against the governor.

Alpuche also clashed with the federal government. The most recent example of that confrontation occurred 15 days before his removal from office when he gave his second government report. Francisco Labastida Ochoa, secretary of energy, mines and parastatal industry, attended with the presidential delegation.

In his report, Alpuche tossed bones to Cordemex which he considered almost the best Mexican enterprise. Labastida Ochoa contradicted the governor in his speech and stated that Cordemex is inefficient, unproductive and favors "bad management."

The federal government and the PRI solve several problems at the same time with Alpuche's removal. They get rid of an incompetent governor, prepare for renovation in municipal governments and take care of an agricultural leader, Cervera Pacheco, who has been causing problems in the Chamber of Deputies recently.

At least that is what Luis Martinez Villicana, secretary of agrarian reform, thinks. To his close associates, he accused Cervera Pacheco of having egged on the deputies who protested the amendments to the Federal Agrarian Reform Law in December.

Cervera Pacheco is the one who won back the Merida city hall for the PRI in 1970. The PAN had won there 3 years before with Manuel Correa Racho. Then Cervera Pacheco sought the PRI nomination for governor of Yucatan and practically got out of hand when the "nod" went to Francisco Luna Kan.

Augusto Gomez Villanueva called him to order and offered him the senate seat for Yucatan in exchange for behaving himself. Cervera accepted and then, with the aid of the PRI national leader then, Gustavo Carvajal, became secretary general of the CNC.

A little more than 2 years ago, Cervera again wanted the nomination for governor of Yucatan. He did not get it again but this time he behaved himself because he learned that the nominee would be a soldier, Alpuche.

Thanks to this new act of self-discipline, Cervera could continue his political career. He went straight from the Senate to the Chamber of Deputies 1-1/2 years ago and jumped from there to the Yucatan governorship last week.

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CSO: 3248/479

## BRIEFS

SOCIAL WORKS FOR CAPITAL SUBURB--The governor of the State of Mexico, Alfredo del Mazo Gonzalez, during a working tour held here in the municipality of Naucalpan, opened socially beneficial works worth approximately 850 million pesos. Among the works put in service by the state governor, there are multiple service modules in several popular residential settlements. A vehicular bridge was opened connecting several working class settlements in the Minas Palacio area. These projects cost 18.5 million pesos. In San Rafael Chamapa a popular store was opened which will sell basic products at the lowest possible price on the market--in many cases at a price lower than CONASUPO [National Company for Basic Commodities]. This store will benefit at least 200,000 inhabitants. Delivery was also made of 50 new units of the collective transportation service of the Naucalpan Main System. These works are the fulfilment of the promise given by Governor del Mazo to old, popular demands, both in his political campaign as well as in the exercise of his administration. The municipal chairman of Naucalpan, Mr Sergio Mancilla Guzman, as well as other government officials accompanied the governor during his trip to Naucalpan, the population of which is nearly 2 million inhabitants. [Text] [Mexico City ESCELSIOR in Spanish 19 Jan 84 p 23-A] 12448

FOGAIN LOANS FOR SONORA PLANTS--This year the Guarantee Fund for Small and Medium Industry (FOGAIN) will allocate 2.8 billion pesos to support the industrial development of the organization. In reporting the foregoing, the regional assistant director of FOGAIN, Arturo Soto Bermudez, indicated that the interest on the loans will be between 35 and 42 percent, which represents a great help to small and medium manufacturers. He said that support will be given mainly to food processing industries so that they may increase production. It is to be hoped, he indicated, that manufacturers will know how to use the available economic resources of the FOGAIN so as to increase production and thereby surmount the economic problems that affect them. [Article by Francisco Santacruz] [Text] [Mexico City EXCELSIOR in Spanish 16 Jan 84 p 32-A] 12448

CULTURAL EXCHANGE SYMPOSIUM WITH USSR--"U.S. Euromissiles," "The Breaking off of Disarmament Negotiations" and "The World on the Brink of War" will be the topics of the symposium which will begin this 30 January. This meeting, organized by the Mexico-USSR Friendship and Exchange Institute, presided over by Mr Carlos Zapata Vela (who is also organizing the symposium), will be held at 7:00 pm at the Manuel M. Ponce Room of the Fine Arts Palace. Participants will include Dr Javier Sanchez, Dr Humberto Monteon, Deputy Engineer Francisco Ortiz Mendoz, Professor Gabriela Guerrero, Dr Jorge Carrison, Master of Sciences Juan Manuel Figueroa Estrada and labor leader Manuel Fernandez Flores. There will be a showing of the documentary feature film "Those Who Are Threatening the Peace." [Text] [Mexico City EXCELSIOR in Spanish 19 Jan 84 pp 1-B, 4-B] 12448

CSO: 3248/429

## SANDINIST DEFENSE COMMITTEE LEADER DESCRIBES CDS'S ROLE

Managua BARRICADA in Spanish 17 Feb 84 pp 1, 7

[Interview with Sandinist Defense Committee Secretary General Leticia Herrera by Maria Florez-Estrada; date, time and place not given]

[Text] The Sandinist Defense Committees (CDS) "are becoming increasingly consolidated, and in 4 years of Revolution they have managed to incorporate an ever greater portion of the population," stated Guerrilla Commander Leticia Herrera, secretary general of the organization, during an exclusive interview granted to BARRICADA.

"It is essential that we establish more effective communication between the grassroots and our leadership so that guidance can be provided and information can be obtained about whether such orientation is working. This will enhance our ability to raise the political consciousness of our people," she added.

Cmdr Herrera presented a detailed account of the achievements and weaknesses of the country's greatest mass organization. She acknowledged that some CDS coordinators have taken on incorrect attitudes, and announced some measures designed to correct this deficiency.

She also pointed out that the central tasks of these organizations continues to be "to guarantee the defense of the Fatherland and the Revolution to the farthest corner of national territory," and reported on the role the CDS's will play in the celebrations entitled "1984: After 50 Years, Sandino Lives!"

The various problems that have arisen in connection with the work of the CDS's are well known to Cmdr Leticia Herrera, who is in charge of the largest mass organization in the country.

A student organizer at the age of 13, during the underground years she was responsible for opening up new structures for the Sandinist National Liberation Front (FSLN) all over the country. Cmdr Herrera has not lost her good habit of contacting grassroots leaders to learn in depth what problems face the organization she leads.

In addition, she confesses with the simplicity that comes from being the daughter of a working-class family, she likes to "drop in by surprise. I



prefer that they not have anything prepared, because that is the best way to find out what is really going on."

What is her assessment of the CDS's accomplishments during 4 years of Revolution?

She begins by explaining the primary weaknesses: "Internally, our communication system is severely limited; it has prevented us from setting forth the areas of work in an efficient way, and from determining whether these tasks are carried out."

#### Some Arbitrary Positions

This deficiency led to "the appearance of certain arbitrary positions and attitudes by some coordinators, sometimes in the blocks, sometimes in the barrio, and they are used by the reactionaries to accuse the CDS's of being repressive."

Then, she explains, the coordinators "become little dictators; they impose their own standards and take their own measures without following the guidelines we send down. We have told them that in order to incorporate the populace into the tasks of the Revolution, persuasion and political exhortation must be used, not repressive measures."

Cmdr Leticia gave an example: A coordinator tells a person that if he does not practice revolutionary vigilance he will not be given his ration card.

"This has happened, we must admit it, but we also assert that this is not organizational policy; these decisions have been made erroneously by some comrades."

To correct these errors, she adds, this year some operational standards will be implemented for the CDS's, and they will be better enforced.

These new standards will establish requirements for people who serve as CDS coordinators, and will limit their terms to 1 year.

#### Broad Participation in Organizations

The problems that have arisen, which the reactionaries have manipulated to their advantage, to a large degree are derived from the diverse and broad nature of these mass organizations, which exclude only proven ex-Somozaists from participating.

"We have always said that any person who desires to work can be a member of a CDS. To work as the leader of a block or a barrio requires awareness and a willingness to give up free time to deal with a lot of problems," she explains.

"We do not require anyone to be an active Sandinist to belong to a CDS. CDS members can belong to any political party; they can be Catholics, Evangelists or any other religion. We have Evangelist and Catholic coordinators who are

very good. What we are really looking for is a willingness to work, for people who do not have shady pasts or links with organizations that supported the dictatorship," she adds.

Despite these precautions, "we have found that some coordinators did have ties with the Somozaist 'Civic Action' or were canton leaders. There have been people who joined for ulterior motives, to gain personal advantage, and we allowed them to become enthroned there. That was when problems arose," she went on.

For this reason, the new requirements will be stricter in the selection of committee directors. This is part of the solution to the problem, she acknowledged, but it is also essential "to develop the consciousness of our people."

#### Lack of Coordination

Other common problems stem from the lack of coordination between the CDS's and the state institutions.

Cmdr Leticia mentioned some specific cases.

"Providing supplies is one of the most complex tasks we have," she says.

As a member of the National Supply Committee, she recognizes that this year ways will be sought "to prevent cyclical shortages of certain goods."

Moreover, it is necessary to achieve better coordination with the Ministry of Domestic Trade (MICOIN).

Often the community in a barrio exposes a hoarder or speculator, and fines or sanctions him, "but sometimes they do not respond to us; they strip us of authority." Who? MICOIN and the local government juntas.

Then some CDS's take the initiative and intervene in a store until the MICOIN arrives and listens to the accusation, "but that is an exceptional situation, and it should not happen. It happens only when the community has exhausted all channels to no avail," she explains.

It has also happened that the Sandinist Police have issued permits to open bars without consulting with the CDS's.

Sometimes they issue permits to open this kind of establishment, going over the Barrio Committee's head. It is that committee which deals with the problems of the barrio. When considering opening a bar, one must take into account the child population, the proximity of a health center, a school or a church," she complains.

Sometimes the CDS's also adjudicate housing without following the standards of the Ministry of Housing and Human Settlements (MINVAH), she acknowledged, "but sometimes they award housing and do not take into consideration the opinion or

viewpoint of the barrio, and that causes problems that can sometimes become political."

The Ministry of Health (MINSA) erred when it agreed to instruct health brigade members "who gave up their free weekends, and then the instructors did not show up. That kind of occurrence hurts the organization," she says.

#### Functions and Goals

The functions of the CDS's are many and complex. It cannot be simple to work with a half a million members, organized throughout the country in 8,960 CDS's, counting block by block, that is, from the smallest structure.

To deal with the innumerable problems that affect the barrios and districts, their areas of work include social defense, or the tasks of vigilance and defense, community development, defense of the economy, organization, propaganda and international relations.

The final assessment is positive: "We have made progress, and the organization is becoming increasingly consolidated," says Cmdr Leticia.

#### Importance of Regionalization

"With regionalization, we have taken a qualitative and quantitative step forward, because we are rationing the cadres better and achieving greater influence with grassroots members. Through the zonal organizations, we are reaching the barrios more directly, and we are implementing better systems to enforce our work guidelines," she explains.

There is no doubt in her mind that "revolutionary vigilance is the central task of the CDS's, because their extension across the territory gives them the capacity to guarantee the integration of the population in the defense of the country."

"We must be prepared for the time when they attempt to attack us," she adds. "While it is true that all the efforts of our Vanguard and our revolutionary government have neutralized the aggression, we cannot rest on our laurels. As long as U.S. policy does not change, as long as they fail to understand that what would really benefit everyone here would be to sit down at the bargaining table, we will have to continue preparing ourselves. And in this case," she goes on, "because they are spread out all across the land and because of their heterogeneity, the CDS's also have a duty to guarantee any work that is done for defense."

#### SMP Vanguard

Cmdr Herrera reports with visible pride that during the first draft round for the Patriotic Military Service (SMP), "36,000 comrades registered as members of the CDS's, that is, youths between 17 and 21 years of age. In addition, 300,000 CDS members regularly participate in revolutionary vigilance."

The CDS's expect to grow even more this year, to guarantee the massive participation of the people in the militias and the SMP, and to consolidate the civil defense brigades "to give them greater stability." But much of their efforts can "be devoted to raising the political and ideological level of the people," she announces.

There are two fundamental facts that make this necessary: first of all, the electoral process that has been launched. Cmdr Leticia sees this as "an advantage and a challenge, because it demands more of us and we have to be better prepared." Secondly, there is the celebration to commemorate the 50th anniversary of the assassination of Gen Augusto Cesar Sandino.

In both tasks, the CDS's "should play a more combative role, to clarify and raise the consciousness of our people," she says.

"The CDS's will spread the word about Sandino's exploits, not just from the historical point of view, as something static, but also Sandino's feat as part of a dynamic process, the development of the Revolution," she adds with enthusiasm.

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CSO: 3248/466

## CLERGYMEN SAID TO BE CENSURED FOR 'LIBERATION THEOLOGY'

Managua BARRICADA in Spanish 18 Feb 84 p 8

[Text] Two Evangelist pastors belonging to the Assemblies of God denomination claimed yesterday that they have been suspended and deprived of voice and vote by the directors of that protestant group "for maintaining a theological interpretation that supports the revolutionary process, and for preaching the gospel of Jesus Christ as a preferential option for the poor."

The Reverends Carlos Escorcía and Oscar Godoy made their accusation at a press conference, and termed the action "repressive, religious persecution." They also said that it is political-ideological in nature, because the directors of the sect do not look favorably on their evangelist preaching.

The two pastors asserted that the reasons for their suspension have a common denominator. Escorcía, as secretary of the Evangelist Commission for the Promotion of Social Responsibility (CEPRES), stated that his organization periodically publishes in EL NUEVO DIARIO articles on theological reflections aimed at shedding some light on the revolutionary process from the standpoint of the gospel.

Godoy, whose experience was similar to Escorcía's, spent nearly 15 years in the religious life. He stated that he was sanctioned for denouncing Argentine preacher Alberto Montessi, who came to Nicaragua to try to lull the people to sleep with spiritualism.

"This is a vengeful and persecuting action," the two men said, and was inspired by the principal directors of the Assemblies of God, Juan Simon Videa Morales, Saturnino Cerrato Hodgson, Pedro Fornos Peal and William Mendoza.

The pastors asserted that they have not been treated as brothers in Christ, but as enemies. They also maintain that this measure--perhaps the first one taken by the leadership of the Evangelists--stems from contradictory ideological positions "in an effort to cover up a sinful position and an immoral situation of internal corruption in that denomination."

The National Association of Evangelist Pastors of Nicaragua (ANPEN), to which the expelled pastors belong, issued a communique protesting the action, which it claims is the result of "the violent reaction" of the above-mentioned directors.

Escorcia explained that ANPEN is a kind of pastoral labor union, made up of pastors of various religious denominations. Its policy is in keeping with the process. "There is another association of the same kind, however," he added, "the National Council of Pastors, which is conservative in nature, and the directors who expelled us belong to it."

8926

CSO: 3248/466



## TRADE UNION DELEGATION TO VISIT NETHERLANDS

The Hague ANP NEWS BULLETIN in English 5 Mar 84 pp 3-4

[Text] Paramaribo, March 5--A top delegation from Surinam's four main trade union organisations will visit Holland in early April to talk about across-the-board resumption of Dutch financial aid to the former colony, Surinamese trade union organisation C47 Chairman Fred Derby told ANP at the weekend.

Derby said the delegation was coming to Holland to speak with the leaders of the Netherlands Federation of Trade Unions (FNV), the Netherlands' largest trade union organisation.

He expected the delegation to meet Dutch politicians as well. It includes officials from Surinam's C47, Moederbond, PWO and CLO trade unions.

Derby said the trade unions leaders would be interested in talking not only about the restoration of Dutch trade union aid to Surinam, but also about the resumption of Dutch development aid to his country in general.

Both Dutch unions and the government suspended their aid programme for Surinam after the December 1982 killings of 15 prominent opponents of Surinamese military leader Desi Bouterse.

Holland has said it will consider resuming its annual 100-million-dollar aid programme only when 'concrete steps' have been taken towards restoring democracy.

'Workers Take Beating'

Derby told ANP that, besides the historical, moral and contractual claims Surinam could make to Dutch development aid, the brunt of the suspension was borne by Surinam's workers.

'Now that aid has been suspended, the working class is taking the beating. We, as trade union movement and responsible Surinamese citizens in prominent positions, must do all we can to promote Surinam's better interests', Derby said.

He added that the Surinamese trade union movement, as partner in the new interim government in Paramaribo, planned to have a draft proposal ready by the end of March in which it would make suggestions for further steps toward that country's return to democracy.

The trade union movement has two ministers in the current interim cabinet of Prime Minister Wim Udenholt, installed as a successful bid to end a month-long strike in the country's vital bauxite industry last December.

After union members' approval, the final proposals would be presented to Surinam's industry and military leaders, the other partners in the new government, before May 1, Derby said. He said the plan might be made public during the delegation's visit to Holland.

Derby said that dialogue between Holland and Surinam was desperately needed. 'That should take place, not in an emotional way, but in a sound manner. If the United States and the Soviet Union can talk, Surinam and Holland should be able to do so as well', he said.

CSO: 3200/16

## SURINAMESE LIBERATION COUNCIL PLANNING REORGANIZATION

The Hague ANP NEWS BULLETIN in English 14 Mar 84 pp 4-5

[Text] Amsterdam, March 14--The Surinamese Liberation Council plans a major reorganisation, but will maintain its strategy of stimulating internal resistance in the former Dutch colony, Council Chairman and former Surinam President Henk Chin a Sen said here last night.

He told a press conference the council, despite advances in organising popular resistance in Surinam, had still not succeeded in shaking large parts of the country's 350,000 inhabitants 'out of their passivity'.

The liberation council had lobbied heavily in Washington by influential contacts within the International Monetary Fund (IMF) to prevent Surinam from receiving the 100-million-dollar loan it had asked from that organisation.

But Chin a Sen said neither the Netherlands nor the United States had lent the organised opponents of Surinamese military leader Lieutenant Colonel Desi Bouterse the support they had expected.

Direct contacts between the anti-Bouterse council and elements within Surinam, including groups within the army, police and trade union movement, had improved last year, he said.

'Paper Promises'

Ties with the standard-bearers of Surinam's political parties and more support for the liberation council from some Surinamese organisations in Holland were further advances made last year, according to Chin a Sen.

He said recent concessions by the Bouterse regime, including the setting up of an interim cabinet, were 'paper promises'.

Surinam could not be considered a constitutional state, and the new interim government of Prime Minister Wim Udenhout was 'a facade', he said.

Council member and former Surinamese Finance Minister Edgar Wijngaarde told reporters that renewed strikes would break out within several months in Surinam in response to the economic crisis there.

Chin a Sen said the liberation council was now better prepared to take advantage of such strikes than it was during the massive bauxite strikes at Surinam's Suralco plant at the end of last year.

CSO: 3200/17

## BRIEFS

KLM SEEKING FLIGHT RESTORATION--Schiphol, March 8--KLM, Royal Dutch airlines, has asked the Surinamese aviation authorities for permission to resume flights between Amsterdam and Paramaribo, a spokesman said today. The request, lodged last week, had so far won no response, he said. Flights between Amsterdam and Paramaribo were halted in October after a joint aviation treaty between the Netherlands, the Netherlands Antilles and Surinam expired. Surinamese authorities refused to renew it after an aviation dispute with the Antilles, and a souring of relations with the Netherlands over the shooting of 15 opposition leaders in Paramaribo in 1982. KLM asked Surinam for a limited number of permits for flights over Christmas and New Year, but was turned down. At present the only flight between the Netherlands and her former colony is flown once weekly by the U.S. airline Arrow, via San Juan. [Text] [The Hague ANP NEWS BULLETIN in English 9 Mar 84 pp 6-7]

DETAILS OF SURALCO, BILLITON VENTURE--Paramaribo, March 15--Royal/Dutch Shell group unit Billiton Maatschappij Suriname (BMS) said it agreed to set up two joint ventures with Suriname Aluminium Company (Suralco) under a protocol co-signed by the Surinamese government yesterday. A Billiton spokesman said BMS would take a 45 per cent stake in Suralco's alum-earth refinery in Paranam, some 60 km south of capital Paramaribo. The plant has a refining capacity of 1.4 million tonnes of alum-earth a year, making it the largest such operation in South America. Suralco, a subsidiary of the aluminium company of America (Alcoa), will retain management of the plant, the spokesman said. The second joint venture will be in mining in the Paranam region. The spokesman said Suralco would take a 24 per cent stake in the companies' combined mining venture, with BMS assuming responsibility for the project management. He said the joint ventures were aimed at improving Surinam's position on the world market in the bauxite and alum-earth industries, and thereby guaranteeing the industry's viability. The two bauxite companies provide 80 per cent of Surinam's foreign currency earnings. [Text] [The Hague ANP NEWS BULLETIN in English 16 Mar 84 p 2]

CSO: 3200/16

ANALYSES OF CURRENT PNM SITUATION DISCERN PROBLEMS

Contention for Chairmanship

Port-of-Spain EXPRESS in English 24 Feb 84 p 3

[Article by Andy Johnson]

[Text] Francis Prevatt, the 71-year-old chairman of the ruling People's National Movement, should leave the top echelons of the party if the next election of officers is not to turn into a fractious horse race, party insiders are saying.

"He should bow out gracefully and let new blood take over," one party source said during an interview.

"The party could do without people such as Prevatt at this stage but apparently they are afraid to tell him so," another source said.

Prevatt and Works Minister Hugh Francis have been posted as the two main contenders for the party chairmanship in elections which were postponed last month, after political leader and Prime Minister George Chambers asked a meeting of the General Council to reconsider the list of nominees.

Francis, for his part, has made no secret about his intention to run for the chairmanship of the party and he is said to be riding on a large column of support from various sections of the party.

Francis will not, however, discuss his chances of success in a race with Prevatt, who has held the post since 1968.

It has been suggested, however, that the party would be split down the middle in any race involving both Francis and Prevatt, who is also said to command a tremendous amount of respect and loyalty from party oldtimers and fundamentalists.

Prevatt will not discuss the elections or his intention to run again for the chairmanship. He also refused to answer charges that his day was over and the party needed to present a new face and image to the country which would be compromised with him remaining as chairman.

"People can say what they want," Prevatt said brusquely when contacted by the EXPRESS. "I do not worry about what anybody has to say."

He said that it was "academic," to talk about the elections at this time since they had been postponed on the advice of the political leader, adding that he would wait until the time comes around again before he even considers whether or not he is interested in re-election.

The election of officers of the PNM will take place at the party's 25th annual Convention later this year. They were to be held at the 24th Annual Convention which was held earlier this month, after being postponed from last year because of the Local Government Elections.

Prevatt has been described, however, as a man who was a close confidant of the late Prime Minister, Dr Eric Williams, who was political leader of the party from its inception until his death in 1981.

On several occasions during the early 70's when Williams left the country, Prevatt, then a senator, was named as Acting Prime Minister.

One of the pluses which he is said to enjoy inside the party was his stage-managing of the 1973 convention which brought Williams back into the political leadership and Prime Ministership after his announced resignation from public life.

Quoting a current pop song of the day, Williams told the convention then that "If loving you is wrong, I don't want to be right."

Prevatt has also been described as "a good listener, a very knowledgeable person who knows the party's constitution inside out and who has demonstrated a commitment to the development of the party."

#### Assessment of Convention

Port-of-Spain EXPRESS in English 24 Feb 84 pp 39, 40, 43

[Article by Andy Johnson]

[Text] "We are not a party in the narrow sense of the word. We are rather a rally, a convention of all and for all, a mobilisation of all forces in the community cutting across race and religion, class and colour, with emphasis on united action by all the people in the common cause."

That was the final word from Prime Minister George Chambers on opening night of the 24th annual convention of the ruling People's National Movement at the Chaguaramas Convention Centre on Friday, February 10.

But that is wishful thinking, and it is to some extent, deceptive, if it were not such a serious enough matter for us as a nation, it would be laughable. But it is a benchmark of our development as a young nation that



those words, the thesis of which is embodied in the national anthem, do not hold water for anybody but abiding optimists and political rhetoricians.

The Prime Minister, in his capacity as leader of the national community, must of necessity hold to such noble ideals as though they were in fact the truth and, as he reiterated at the convention, he is duty bound to postulate as though those things were given in Trinidad and Tobago.

But one had only to look around the 800 or so delegates, guests and observers at the convention to see that there was a wide chasm between what the Prime Minister was saying and what obtained in fact.

Black people of African heritage outnumbered other ethnic groups in the society by a wide margin at the convention and the Prime Minister, try as he may, cannot convince the people in Laventille, La Brea, Point Fortin and along the East-West corridor that their beloved PNM should be opened up to the likes of the French Creoles and the Indians to wash their feet and jump in.

Why is it that after 27 years the PNM still can only attract a majority of one ethnic group, and that the party still is perceived in the wider community as the vehicle by which persons of African heritage can gain upward mobility in the society?

It is a question that some people can answer quite well but which most people don't even bother to answer since they accept it as fact.

No one knows for sure that the Developmental and Environmental Works Division (DEWD) is the PNM government's tool for holding on to a significant portion of the vote from the Africans in the society, but it appears that way.

When Opposition politicians criticise the DEWD system in Parliament, the politicians on the Government side say that they are in fact criticising Africans in the society and they are playing race.

One such politician, in fact, was not at all happy with those sentiments as expressed by his political leader at the convention. He felt, in fact, that the party was continuing to "cut off its nose to spoil its face."

He felt that the evidence was abundantly clear after a quarter of a century who and what is the PNM and from where its support came. It is time for the party to stop playing idealist and start dealing with political realities, this politician was saying on the final day of the convention.

The party to him is not a party of all races and not a party of all classes in the society as the Prime Minister wants to make the country believe. And to him all the attempts to appear as though this was a homogenous society in which everything was everything and everybody was everybody else's brother have only served to give "other people" in the society a feeling of security

and of belonging that they do not deserve. And, more distressing to some PNM members, it has been seen that the African in the society has remained in large measure at the bottom of the ladder, despite the PNM, its greatness and its prevailability.

That should stop, if you ask some long-standing members of the party, and attention should be paid to those who have consistently supported the party through thick and thin.

Perhaps that approach would make it easier for the party to convince voters at each election that they ought to vote for the balisier. One tenured General Council member was remarking in the lounge at the contention that Trinidadians and Tobagonians do not know what they have in the PNM, otherwise they would not bad talk the country the way they did.

But nevertheless, they vote consistently and overwhelmingly for the party at each election. And that is all that matters in the final analysis, was the reply.

No, he said, it is too hard to get those votes each election. You have to go out there each time and make them see the need to vote. In fact, he said, an African acquaintance of his told him recently that this was probably the only place in the world where a Government party would not be sure to win a clear majority of the votes, if not make a clean sweep, in areas where the Government had created housing developments for large numbers of people.

The General Council member expressed particular impatience with young Africans whom he felt were ungrateful towards the PNM and the late Dr Eric Williams for the opportunities through education which they were afforded under his government.

But was that not the right of any deserving citizen, and was it not the duty of a really committed government to provide for the educational advancement of all its young people? That may be so, he said, but why did it not happen under any Government before the PNM came along?

The truth is that in 1984, citizens in this country are still mindful that there was a period in our history when colour and name counted for much more than raw ability and was worth more, in fact, than being simply young and gifted, but black.

There are people in Government, for instance, who are seeing a resurgence of those days and in fact are suggesting that there is some kind of racial polarisation taking place in the media. Some people, in and out of Government, are suggesting that journalists had better begin to treat with national issues along racial lines because of some perceived takeover of the national psyche by specific ethnic groups.

There are persons at Cabinet level who also say that in the post-Williams era the PNM was gone so far to the right that it is almost unlivable for some of its members. That seems to suggest that a great many of the party's

traditional supporters would have been left behind in this new dispensation, and that is not sitting well with some members.

Some PNM members also resent what seems to be a fact that the PNM is not equated with efficiency and professionalism and that when citizens of African heritage aspire to such heights they no longer see the PNM as the political party of their choice.

The PNM, in 1984, therefore, remains a party primarily for and on behalf of the people of African heritage in the society, whether the Prime Minister likes that or not. To the extent that he tries to make it otherwise, he will anger or alienate a certain section of the party's traditional support, or his words and attempts will simply remain noble ideals which they will not take seriously because, somehow, they feel as political leader and Prime Minister he has to say these things.

#### Challenge of Allied Opposition

Port-of-Spain SUNDAY EXPRESS in English 26 Feb 84 p 8

[Article by David Renwick]

[Text] George Chambers's obvious concern with the type of image presented by the People's National Movement (PNM) in the run-up to the 1986 general election seems based on a clear appreciation of the potential strength of the Opposition challenge.

That is why he was so anxious to postpone the election for top posts within the PNM which was to have been held during the recent 24th annual convention at Chaguaramas.

As political leader of the party and the man with primary responsibility for delivering victory at the polls, Chambers rightly feels that the PNM needs to undergo an extensive facelift, the better to prepare itself for the campaign battles that are likely to begin in earnest a little over two years from now.

I believe he has accepted in his heart of hearts that the PNM does not stand much of a chance in the House of Assembly election in Tobago this year, no matter how many branches of the Ministry of Information are set up there. The \$75 air-fare and A.N.R. Robinson's skilful presentation of the PNM as "anti-Tobagonian" have seen to that.

But writing off electoral victory in Tobago is one thing; ignoring the threat in Trinidad from the National Accommodation whose hot breath is already tickling the hairs on the back of the PNM's neck quite another.

The party faithful may have already been lulled into a somnolent mood and forgotten the fact that the PNM lost an election this year for the first time since 1958, when it failed to obtain the majority of seats allotted to Trinidad and Tobago in the Federal Parliament. It was beaten 66 seats to 54 in the local government election in August, a fact that Chambers clearly carries around in the forefront of his mind, even if most of his followers don't.

The local election triumph said something, which was that, given a choice between one PNM candidate and one Opposition candidate (we don't count NJAC, since its following is clearly too small to matter), enough voters were willing to support the Opposition candidate in numbers sufficient to ensure that the PNM candidate lost.

I have deplored in the past, and continue to deplore, the fact that people were willing to vote for the Accommodation candidate in the absence of any clear indication of what that candidate, and the coalition of which he was the representative, stood for.

Unfortunately, my deploring something does not always change the fact that it exists and the Opposition success in the local government election last year remains hard reality. Of course, as I also pointed out then, a victory at local level in different geographic areas where regional problems may play an important part is not the same as victory at the national level where a country-wide organisational framework with strong central direction is probably necessary for success, as the PNM has proved time and time again.

Chambers is smart enough to know that although the Accommodation is not yet one unified, national structure with an ideology that clearly differentiates it from the PNM, it could become so if the best intentions of the ONR and Alliance leaderships bear fruit and if Panday is willing to let it be known he is not averse to regarding Hudson-Phillips as the de facto leader of the integrated forces.

He is certainly aware that the Accommodation has something substantial on which to build. Let's not forget that last August the Accommodation wrested St Patrick from the PNM after the latter had held it in both the 1977 and 1980 local elections, not to mention the 1981 general election.

Let's not also forget that the Accommodation reclaimed Nariva/Mayaro from the PNM, after winning it in 1977 but losing it in 1980.

It also recaptured Caroni and Victoria after having won both in 1977 but losing it in 1980.

It also recaptured Caroni and Victoria after having won both in 1977 but letting them slip from its grasp to the PNM in 1980 in a way that bordered on the humiliating (PNM took 11 of the 13 seats in Victoria and eight of the 11 seats in Caroni in the 1980 local election).

The Accommodation succeeded in prising St George East away from the PNM which had won it without much difficulty in 1980 and was victorious in St Andrew/St David despite the PNM's convincing triumph there three years previously.

Only in the four municipalities did the PNM hold its ground but in three of them Accommodation candidates made remarkable headway with particular reference to Arima where, had the Accommodation attracted just one more seat, it would have obtained control (it won three to PNM's four).



In Port of Spain, the Accommodation captured four out of the 12 seats and in San Fernando, three out of the nine. Only in Point Fortin was PNM hegemony confirmed with the party retaining all the seats on that Council, as it did in 1980 (the Council was not in existence in 1977).

The kind of voter swing to the Opposition described above is of such significance as to make any leader of an entrenched, institutionalised party like the PNM start thinking very seriously about reorganising and refurbishing his forces.

It is this process of rationcination that has obviously brought Chambers to the conclusion that the people put forward for leading party posts like chairman and vice-chairman were not the appropriate personalities to spearhead the effort to turn back the Accommodation advance.

One gets the strong impression that he considers the aging Francis Casimir Prevatt should now gracefully step down as PNM chairman and make way for a healthier, more dynamic individual. It also seems clear that he is none too happy with the idea of Hugh Francis taking over as party chairman, which my informants tell me might well have been the case the question been put to the party convention.

It seems Francis's reputation as a "black nationalist" has done him no harm with the rank and file. But it is the political leader's job to be a little cleverer than the average party member from the constituency groups and to understand social and electoral changes within the society.

Chambers knows, for what it is worth, that the last Population and Housing Census in 1980 revealed virtual parity in the ethnic extractions of the two main population groups with 430,864 people saying they considered themselves of African ancestry and 429,187 confirming they were of Indian ancestry.

In such an evenly-balanced situation, a political leader knows it is not wise to have a senior party figure going around trumpeting from the house-tops his strong sympathies for one or other of these groups. Besides, Chambers also suspects that Francis would be a stalking horse for John Stanley Donaldson, aged 48, a very ambitious man but also perceived by the thinking public to be another "black nationalist" and a rightwinger to boot (Francis would consider himself much more to the left of the political spectrum).

An Accommodation that had successfully straddled the two major ethnic groups would make great capital out of the fact that the PNM was veering more towards one than the other and Chambers, in the interests of 1986, cannot allow that.

What he needs, and is actively looking for, are committed social democrats with an inter-racial image, who understand the organisational and managerial imperatives of the age and are able to utilise this to keep the PNM out front and in power at national governmental level in the late 1980's and into the decade of the 1990's.

CSO: 3298/584

## ROBINSON CRITICIZES REMARKS BY INCE, U.S. AMBASSADOR

Port-of-Spain EXPRESS in English 24 Feb 84 p 38

[Text] Tobago House of Assembly chairman A.N.R. Robinson has been critical of the statements made by External Affairs Minister Dr Basil Ince on the lack of nationalism in Trinidad and Tobago.

Robinson also said he could not accept Dr Ince's reference to a statement made by the American ambassador to Trinidad and Tobago in favour of the U.S.-led invasion of Grenada.

The views "of an ambassador cannot be confused with that of a private citizen," said Robinson. (Ince had referred to the American Ambassador's statement "I love my country, I stand by it" to a group of demonstrators who supported the U.S. action in Grenada).

"An ambassador," said Robinson, "is required to represent the views of his government. That is his job. If he does not do it then he is liable to be fired by the government that appointed him for the purpose.

"An ambassador's business also is to defend the policy of his government and he fails to do it at his own risk.

"Thus, an American ambassador, for example, would have been required to defend his government's position in Vietnam while the rest of America was demanding the withdrawal of troops from Vietnam.

"As a foreign minister Dr Ince must certainly know better," contended Robinson.

"But I, as a former foreign minister, and a citizen of this country cannot permit him to insult my own intelligence and to impugn the patriotism of my fellow citizens when it is his own integrity and intelligence that are in issue," Robinson ended.

CSO: 3298/584



## MINISTER WITH TOBAGO PORTFOLIO ASSAILED IN TOBAGO ASSEMBLY

Port-of-Spain EXPRESS in English 27 Feb 84 p 3

[Text] Senator Anthony Jacelon, Minister in the Ministry of Finance with responsibility for Tobago, was on Thursday called a "Fly by night Minister" who obstructs rather than helps to improve the relationship between the central government and the Tobago House of Assembly.

Making the charge was Hochoy Charles, Secretary for Works and Health in the Tobago House of Assembly who said that Jacelon, from the time he assumed the ministerial responsibility for Tobago about two years ago, set about destroying whatever goodwill there was between the two countries.

Speaking on a motion which called for conciliatory machinery to resolve problems between the Government and the Assembly, Charles said that prior to Jacelon's arrival on the Tobago scene, relations with the Government were on the mend.

He said that several meetings with two senior government ministers, Errol Mahabir (Labour) and John Donaldson (National Security), were held with the Assembly with the Permanent Secretary sitting in.

"But as soon as Jacelon came on the scene, he stopped those meetings," said Charles. "All the consultation stopped. Jacelon stopped it," he told PNM Assemblyman Standord Callender who had moved the motion.

"Who must we consult with?" asked Charles. "The man (Jacelon) does not talk to anybody so how can we consult with this 'Fly by Night Minister' who comes here once a week, spends two hours and is gone.

"And he is not even elected; he has been imposed upon us. Nobody knows him in Tobago. They picked him up in some office in Trinidad and imposed him on the people of Tobago."

Charles said that he was flabbergasted to hear now that Jacelon was claiming credit for telephone improvement in Tobago when even the people at the Telephone Company knew that it was the Assembly which not only initiated discussions for the development but that it was funds from the Assembly which were paying for the development.

"No wonder people say that politicians are dishonest people," declared Charles  
"I just couldn't believe that any minister who should set the example for  
honesty could be so brazen.

"Look for the snake coming through the balisier," he declared.

CSO: 3298/584

## GOVERNMENT SLATES INVESTMENT IN AID TO TOBAGO SMALL BUSINESSES

Port-of-Spain EXPRESS in English 28 Feb 84 p 7

[Text] The Government has invested \$11 million in a building project called the Multi Producers Unit to facilitate small businesses in Tobago.

The Multi Producers Unit (MPU) is situated in Sangster Hill, and is part of the development project which started some four years ago in Lower Scarborough. The Lower Scarborough Centre development was designed to give an added impetus to the growth of Scarborough and is intended for use by the general public.

At the moment it consists of a bus terminus, a post office, market office, market, the NIB Mall, the National Commercial Bank, a library and co-operative supermarket and shops.

Work on the MPU started in November 1982 and is expected to be completed in September this year. This new building will house 31 small businesses and will also cater for people who are starting out in business, people from areas who would like to move to Scarborough and people who are already in business and need more space from which they must operate.

Vincent Taylor, President of the Tobago Small Business Association and Chairman of the Small Business Construction Limited, the company that got the contract from the Industrial Development Committee (IDC) to build the Multi Producers Unit (MPU) said:

"It is good to see that the government is showing an interest in the small business people in Tobago, we have been neglected for so long." He added, "this is indeed a step in the right direction for small business people here. We even need more buildings like this one."

However, Senator Anthony Jacelon, Minister in the Ministry of Finance and Planning, and also the Minister responsible for the Administration of Tobago said that he is pleased that "Mr Taylor and most Tobagonians are beginning to appreciate that the government is interested in the development of Tobago, and despite tremendous obstacles that are being placed in its way, is succeeding in doing a good job."

CSO: 3298/584

HUDSON-PHILLIPS MESSAGE APPEARS IN NEW ONR NEWSLETTER

Port-of-Spain EXPRESS in English 27 Feb 84 p 8

[Text] The following is a message from ONR political leader Karl Hudson-Phillips which appeared recently in the first issue of an ONR newsletter, the Southern Steelbeam.

Politics is really the art of life and being aware of one's responsibility to oneself, one's family, one's nation, and one's consciousness.

We in the Organization for National Reconstruction (ONR) have the special task of living up to our positive and vanguard role in Trinidad and Tobago. As politicians we must set the example and put our various houses in order. Through an absolute dedication to Trinidad and Tobago we must constantly motivate ourselves and our communities. The responsibility of nation-building has to be shared.

Our party is great. We must build it. We must preach the word. Let us settle down to the hardwuk of getting our country back on the right track. We have been derailed for too long. Our dedication to Trinidad and Tobago is our working ideology. Ours must be an ethical humanism.

The days of careless punishment are over. We ought to surrender to the vision of a Trinidad and Tobago that works for each and every citizen. We must lead with humanity, firmness, a readiness to account at all times, and with an ethical harmony and honesty that can be emulated by future generations.

We must care for our people. No one must go hungry. Man must live. An ONR government will introduce a new compassion and partnership and restore the ownership of our nation to the citizens, irrespective of race, class, creed and diversion.

We must once more be proud to say that we are Trinidadians and Tobagonians and depart from the bobolee tradition that has been imposed on us by those who will be our masters and not our servants and confidants.

We must show the way and keep the lamp lit and bright as the stars above. And we must respect ourselves as a people of exceptional worth, as examples to the Caribbean and to the world, and indicate the path to be taken through the quicksand.

The months and the years ahead will not be easy ones; and we cannot afford to lull ourselves into complacency and organizational liming. Excuses get us nowhere and, in fact, take us back to the Stone Age of the personal imperialism that will at times blind us to the larger picture, which is total liberation as a people.

It is not enough to merely cry down our communities and our institutions and leaders and not take the measured time to keep our spirits high and our dreams afloat. And let us continue to do better for Trinidad and Tobago.

Good things come to those who wait, but destiny is what you make of your life--and not merely chance and voopsing.

I am with you.

CSO: 3298/585

## ALLIANCE-CONTROLLED LOCAL COUNCILS SNUB BUDGET MEETING

## Minister's Presentation

Port-of-Spain TRINIDAD GUARDIAN in English 1 Mar 84 p 1

[Text] The Minister of Community Development and Local Government, Dr Cuthbert Joseph, at a meeting held in his office yesterday announced the sums released for the first quarter of 1984, to the 11 Local Government bodies under the long-term Funds for Infrastructure Development.

Of the \$12 million released, \$1.5 million will go to the St George East and the St George West County Councils, while \$1 million will go to each of the nine Councils, viz: the County Councils of St Andrew/St David, Caroni, Victoria, St Patrick and Nariva/Mayaro, and the municipalities of Port-of-Spain, San Fernando, Point Fortin and Arima.

## Collaboration Plea

The Minister said he was disappointed at the attitude taken by the Alliance-controlled councils whose representatives had walked out of the meeting.

The Minister, in his opening address, indicated that such meetings, at political levels, of heads and deputy heads of local government bodies, were instituted two years ago since he assumed the office of the Minister of Community Development and Local Government.

The Minister repeated his message given at the inauguration of the present Councils that "the communal path ahead must be collaboration, not confrontation."

Dr Joseph said that most of the County Councils had responded positively to his invitation, to the extent where they even placed items on the agenda, and therefore he could not understand their reason for walking out on the grounds that the meeting was unconstitutional.

The meeting was in keeping with the "open door" policy he introduced after he had assumed the Local Government portfolio and in addition, he made it clear that he was quite prepared to meet with individual county councils to deal with specific issues.



### Panday Support for Walkout

Port-of-Spain TRINIDAD GUARDIAN in English 2 Mar 84 p 7

[Text] San Fernando--The Alliance representatives who walked out of the meeting held with the Minister of Community Development and Local Government Dr Cuthbert Joseph, have received full support from Opposition Leader Basdeo Panday.

Mr Panday commenting on the action of the Alliance-ONR representatives said: "They were perfectly right because they asked for the meeting and the Minister should have acceded to their request.

"Instead of meeting with the Alliance-ONR Councillors, the minister called in all the County Councils and Municipalities. If the minister wanted to meet with the representatives of the other councils and Municipalities, he should have met with the Alliance-ONR Councillors and hear what they have to say, then call a general meeting if he so wished.

It was reported that the Alliance representatives walked out of the meeting on Wednesday. The meeting was held in the minister's office where an announcement was made concerning the release of funds for the first quarter of 1984, to the 11 Local Government bodies under the long term Funds for Infrastructure Development.

Mr Panday said yesterday that the Association of County Councils wrote the minister asking him to meet with a delegation of the association "but the minister refused to meet with the delegation because the Alliance-ONR accommodation controlled the majority of the County Councils."

Mr Panday said: "We therefore feel that the minister is trying to undermine the Association of County Councils because they are under the control of the Alliance-ONR."

### Criticism of Alliance

Port-of-Spain TRINIDAD GUARDIAN in English 2 Mar 84 p 8

[Text] It is difficult to understand how Wednesday's meeting between Dr Joseph and political heads of local government bodies could be considered unconstitutional or a violation of the law.

It seems, in fact, quite the proper and necessary thing for the Minister to confer and collaborate on a regular and systematic basis with local government bodies both at the joint level where common problems may be fruitfully aired and with separate councils where specific and peculiar difficulties could be tackled.

To his credit, Dr Joseph has been at pains to establish such a system of consultation, emphasising its need from the time he assumed administration of the Local Government portfolio.

This was, for example, the major theme of his address to the councils last August following the local government elections.

#### Consultation

Dr Joseph declared the readiness of his Ministry to collaborate with each and all councils "to ensure the successful functioning of the local government system."

And he went on to quote extensively from the Draft Policy Paper on Community Development and Local Government on the question of setting up permanent machinery of consultation between his Ministry and local government bodies.

In pursuit of this, Dr Joseph himself had been meeting together with heads and deputy heads of the councils and last Wednesday's confab at Kent House was a continuation of the series, but the first since the local government elections had changed the political picture at this level.

It is a matter for some regret that the spirit of collaboration established at these meetings was jolted by the walk-out of the Chairman and Vice Chairman of the Association of County Councils who considered the gathering a violation of the law relating to the functioning of local government bodies.

Whatever quarrels the Alliance-controlled County Councils may now choose to have with the Central Government, it seems not only silly but quite counter-productive for them to adopt that kind of disruptive and confrontational policy.

We can see no derogation of the rights or status of the Association for its leaders to sit in joint consultation with political leaders of the municipalities. It may well be to their advantage in fact, to participate as fully as possible in discussions at this wider level.

#### Invitation

With opposition parties now controlling six of the seven county councils, it is only natural to expect a vigorous increase in political rivalry between these bodies and the central government, but it would be quite unfortunate if this conflict becomes an end in itself and thus an obstruction to the proper performance by the councils of their duties and responsibilities to the people they represent.

What makes the walk-out by Councillors Seecharan and Ali from Wednesday's meeting even more curious is the fact that they had both responded very positively to the Minister's invitation. Councillor Ali, in fact, had taken the opportunity to place a number of important items on the agenda and thanked the Minister for the chance to discuss them.

Neither the Chairman of Victoria County Councillor, the Chairman of the N- Mayaro County Council made any objection to the inclusive nature of the meeting and it is difficult now to reconcile their subsequent withdrawal on the grounds that it was a violation of the law.

With declining government revenue, it would seem that local government bodies must now face a greater challenge in terms of efficiency and productivity if they are to serve their communities best. A futile confrontation between them and the central government would be a sure way of not achieving this.

CSO: 3298/585

POLICE RAID ON ESTATES NETS 53 ALLEGED ILLEGAL ALIENS

Port-of-Spain EXPRESS in English 24 Feb 84 p 1

[Article by Ronald John]

[Text] An early morning police raid carried out at the Sea Lots and Beetham Estate areas yesterday resulted in the arrest of 53 people who police believe are illegal immigrants.

According to police reports, the aliens, 34 males and 19 females, were born in Grenada, Guyana, Antigua, St Vincent and St Lucia.

The raid, spearheaded by Police Commissioner Randolph Burroughs, involved over 200 policemen, policewomen and tracker dogs, was sprung into action around 4 a.m. It was reported that Burroughs mounted the raid by having his men seal off the area.

In a telephone hook-up from the scene yesterday, the Commissioner told the EXPRESS the exercise was in response to reports that the Sea Lots industrial area had for a long time been plagued with breakins, purse snatchings and the interference of women working in the area.

Also seized were a large quantity of electronics which were reportedly stolen from dwelling houses and business places. Over 20 other men and women have been detained for questioning in connection with the stolen articles. Police are inviting persons who have had items stolen to visit the Criminal Investigation Department to assist in identifying their stolen articles.

Police said they found out that certain persons had built shacks in Sea Lots and were using them as store houses to keep stolen articles.

Taking part in yesterday's raid were Assistant Commissioner Hamilton Bridgeman, Assistant Superintendents Cecil Carrington, David Jack, Dennis Richardson and Codrington George, Inspectors Rudolph Leach and Calvin Goodridge, Acting Inspector Clyde Reyes and Sergeants Michael Montoute and Trevor St Louis.

CSO: 3298/585

## NAVIGATIONAL FACILITIES AT PIARCO AIRPORT BEING IMPROVED

Port-of-Spain TRINIDAD GUARDIAN in English 1 Mar 84 p 6

[Text] Most of the navigational equipment at Piarco International Airport is obsolete, according to the Ministry of Information.

The ministry said this was due to the non-availability of spare parts and age but that an upgrading programme which began on January 16 will involve the replacement of equipment.

Focusing in its release on the upgrading of navigational facilities at the Piarco and Crown Point Airports the ministry said these were being carried out to meet international standards as a result of a government-to-government agreement signed between Trinidad and Tobago and Canada in 1975.

Some \$10,200,000 (Can.) had been provided for this programme with the stipulation that \$200,000 be used for training personnel and that Transport Canada on behalf of the Canadian International Development Agency (CIDA) should be responsible for technical expertise.

The replacement of equipment at Piarco will include the instrument landing system equipment which provides electronic guidance during the landing of aircraft, the Very High Frequency OMNI Range and Distance Measuring equipment which provides en route electronic guidance and all related communications equipment.

#### Control Tower

In addition, electronic control equipment in the control tower as well as those in the area control centre which are used by air traffic controllers will be replaced.

The release pointed out that all equipment replacement work is being phased to avoid any interruption to aircraft operations.

According to the Information Ministry, CIDA has also supplied the equipment which will upgrade the low intensity approach lights and a field electrical centre which when installed will power the lighting system and all other field electrical systems at Piarco.

At Crown Point, a new non-directional radio beacon will be installed which will form part of the equipment network providing enroute electronic guidance to aircraft.

On completion of the installation work at the end of this month, Transport Canada will provide a specially equipped aircraft to carry out flight checks that are necessary in order to make the final adjustments to the equipment.

These checks will also verify whether the guidance information provided to aircraft conforms to international standards. The equipment in the control tower and area control centre at Piarco will be commissioned following the flight checks.

Regarding training, the release said four technicians of the civil aviation division spent six months from November 1982 to April 1983 being trained in the maintenance of new equipment.

These technicians are now carrying out installation work under the supervision of Transport Canada experts as further training.

The release added that the division is in the process of implementing a recruitment programme so that new technicians will be trained in Canada by September this year following an orientation period at Piarco.

CSO: 3298/586



MANUFACTURERS GROUP ESTABLISHES EXPORTS DIVISION

Port-of-Spain EXPRESS in English 29 Feb 84 p 41

[Text] The Trinidad and Tobago Manufacturers Association (TTMA) yesterday announced it had set up an exporters division which would work in harmony with the recently created Export Development Corporation (EDC).

Roger Vieira, Chairman of the TTMA, told a news conference at the TTMA headquarters in Herbert Street that the major objectives of the division are:

- To promote, project and advance non-oil exports;
- Provide the necessary link between the Export Development Corporation and the wider body of exporters;
- To create a positive, confident attitude towards exporting among Trinidad and Tobago manufacturers;
- To work through the EDC in ensuring that exporters receive the necessary high priority for the easy flow of raw material into plants and finished product output;
- Collecting data on Trinidad and Tobago products that have export potential. This exercise also includes the sorting and storing of export data in an easily accessible form.

The Exporters Division first met on February 23, an executive committee was formed and a 1984 action plan was formulated.

It agreed that regular workshop/seminars would be conducted to discuss export cost/pricing, transportation and documentation, identifying export markets, export financing, packaging and labelling, internal constraints on exporting and external constraints on exporting.

The division will stage at least two foreign trade missions in 1984, Vieira said, adding that the TTMA saw the export drive as an integral part of the industrial development strategy of the country.

Laurie Chin Cheong of Angostura Bitters Limited told the news conference a major problem was the government bureaucracy and said he hoped a way would be found for the Central Bank to make foreign exchange available for business travel easier to obtain and faster.

Another TTMA official said cooperation with the trade union was necessary and that local manufacturers needed to meet quality standards to be able to compete with foreign competitors.

The TTMA is seeking markets in South America and Europe, but would not neglect the traditional Caricom markets, another TTMA official said.

He said a devaluation of the Trinidad and Tobago dollar would help exporters in some ways but would also be detrimental in other ways.

CSO: 3298/586

## GOVERNMENT URGED TO KEEP BIG TRAWLERS OUT OF GULF OF PARIA

Port-of-Spain TRINIDAD GUARDIAN in English 2 Mar 84 p 7

[Text] The Cedros Fishing Co-operative has called on Government to make the Gulf of Paria a reserve for small fishermen since the gulf is too small to sustain the plunder of the big trawlers on a long term basis.

The call was made in a memorandum sent to the Minister of Agriculture, Lands and Food Production, Mr Kamaludd Mohammed, on his request, following a meeting held with him in early February.

The co-operative suggests that the big trawling industry be upgraded to that of a deep-sea trawling industry and these trawlers would be able to fish off the coast of Brazil, Guyana and other areas.

The suggestion was made in the light of recommendations made by a Government Ministerial team that "trawlers over 12 metres in overall length be prohibited from operating within the 10 fathom insobath."

The co-operative says that it strongly disagrees with this since members do not believe it would provide them with adequate protection. They want neither local or foreign big trawlers to operate in the gulf since they say their experience has shown that neither the big trawlers nor the artisanal fishing boats can simultaneously fish and shrimp the waters in the gulf economically and productively over a long period of time.

"If our aim in the long run is to feed the nation with a rich source of protein at a reasonable price, if our aim in the long run is to make the nation self-sufficient in fish food and produce enough to sustain an export market, then we must develop a fleet of deep sea trawlers," says the co-operative.

"We should not encourage and promote a situation where the fishing grounds in the gulf are exhausted and destroyed; where the small fishing industry is made extinct, and where the big trawlers that at present exist are useless to our needs before we think of establishing a deep sea trawling industry."

The co-operative also called on the National Fisheries "to set up the machinery for purchasing fish at all major beach heads" at a minimum guaranteed price of \$5 per pound for fish and \$10 a pound for large shrimp, since because of the manner in which the industry is at present operated and structured, the small fisherman cannot determine the price of his catch.

They also offered the suggestion that National Fisheries be restructured to make the small fishermen part of the ownership structure of the company.

"As joint owners we can participate in a more meaningful way to make the fishing industry serve all interests in fishing, and the nation at large. We believe that we can help National Fisheries and National Fisheries can help us, but only if we are included in a meaningful way."

Of major importance to the co-operative was its call for Government to roll back the price of marine fuel both gas and oil to the 1983 price structure.

According to the co-operative, National Fisheries enjoys certain concessions on auto diesel which the rest of the fishing community is denied. Big trawlers, they say, have been receiving concession on diesel since 1972.

CSO: 3298/586

## BRIEFS

TANKER FROM JAPAN--A 16-man crew, made up of 15 ordinary seamen and an engineer, left Trinidad by air last Friday for Japan to take delivery of the M.V. Harold La Borde, the second methanol tanker acquired by the Shipping Corporation of Trinidad and Tobago (SCOTT). The tanker, which has a deadweight of 14,326 tonnes, was formally handed over at a ceremony in the dockyard of its builders, Sasebo Heavy Industries Company, yesterday. Mr Edwin Adams, SCOTT's Technical Services Manager, represented the company at the handing-over ceremony. The M.V. Harold LaBorde, named after Trinidad & Tobago's world famous seafarer, is scheduled to arrive in Trinidad towards the end of April. A SCOTT official said the other tanker, the M.V. Trinidad & Tobago, which was handed over to SCOTT on January 10, is sailing to Europe from New Zealand to deliver a cargo of methanol under a charter agreement before coming to Trinidad at the end of this month. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 2 Mar 84 p 3]

TEXACO-UNION ROW--TEXACO Trinidad Inc has turned down a request by the Oil-field workers Trade Union to withdraw warning notices served on some 300 workers who allegedly left their jobs without permission on Friday February 17 but promised to review the cases of those they believed had been penalised in error. Texaco's general manager Lloyd Austin sent a letter to OWTU vice president Errol McCleod outlining the company's position in a four-hour meeting with the OWTU on Monday to resolve an impasse that developed there. On that day the workers had broken police lines and invaded the company's central offices at Pointe-a-Pierre demanding the withdrawal of the notices. In the letter, Texaco said the warning notices served on the workers who left their jobs on February 17 without permission "will remain in effect." The company said however, that the union may submit the names of workers who felt that they were served notices in error. The letter said that such objections will be investigated and if found valid the notices would be withdrawn. The company agreed to withhold further action against those workers who left their jobs on Monday to protest against the warning notices. It said that both parties would make every effort to de-escalate the present situation at Pointe-a-Pierre. [Text] [Port-of-Spain EXPRESS in English 25 Feb 84 p 3]

ONR-ALLIANCE TALKS--The first in a series of regular quarterly meetings of the National Alliance and Organisation for National Reconstruction (ONR) county and city councillors will be held on March 31 at the Rienzi Complex, Couva. Plans for this quarterly assembly of local government representatives were drawn up last Thursday evening when executive members of the national Alliance and the ONR met for several hours at ONR headquarters, 10 Albion Street, Port-of-Spain. It was the year's second "special-talks" encounter between the two bodies. A previous meeting had been held at the offices of the Leader of the Opposition, Mr Basdeo Panday. The quarterly meetings are designed to better co-ordinate activities of the ONR and Alliance councillors, to reduce and minimise areas of conflict, and to harmonise communication between councillors, in addition to solidifying the political vision of a common objective. [Text] [Port-of-Spain SUNDAY GUARDIAN in English 26 Feb 84 p 14]

JAPAN LOAN CLARIFICATION--Government borrowed \$65 million through the Bank of Tokyo last month to finance general expenditure and not \$6.5 million as was inadvertently reported. In Japanese currency this amounts to 6.5 billion yen. The loan becomes available six months from the date of the loan agreement and will be repaid in nine about equal semi-annual instalments beginning four years from the date of agreement. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 23 Feb 84 p 4]

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## COPEI LEADERS DENOUNCE NEW ADMINISTRATION'S MEASURES

## Secretary General Underlines Abuses

Caracas EL UNIVERSAL in Spanish 11 Feb 84 p 1-14

[Text] Eduardo Fernandez has warned that there is appearing in Jaime Lusinchi's government a tendency toward mistakenly interpreting the electoral mandate of 4 December, with a sectarian, presumptuous exercise of power, seeking a status even above that of the state of law.

He also charged that some advisers on the highest level, including supporters of the head of state, are encouraging this abusive exercise of power, invoking the majority support given by the people to the new government at the polls.

The COPEI [Social Christian Party] secretary general noted that this situation would be analyzed on Tuesday by his party's National Committee, in order to make a statement regarding the matter.

Yesterday morning, the high-ranking Social Christian leader held a lengthy meeting with former President Rafael Caldera at the latter's residence in Los Chorro, and later contacted the former president of PDVSA [Venezuelan Petroleum, Inc], Humberto Calderon Berti, to analyze with him the measure for dismissal on the part of the main oil company's board of directors.

When asked about the lack of response from COPEI to Calderon Berti's ouster, he explained that the green party first wanted to have a more complete report on the measure. Moreover, he said that COPEI did not want to put up radical opposition to the new administration as it began, but rather, on the contrary, has given it a kind of "letter of credit" so that its own actions will be what will determine the intensity of the opposition's policy line. Nevertheless, he remarked, some incidents have occurred which deserve a responsible mention on behalf of the COPEI leadership.

## Five Disturbing Elements

He stated at the outset: "There is a tendency to interpret the results of the 4 December elections as an entitlement to transcend the state of law and to run the government in a presumptuous, sectarian manner."

"In the first place, we find that, in the formation of the executive cabinet and in high positions in public administration, the quality of broadness that was offered in the election campaign is completely lacking and, with but few exceptions, it is very difficult to claim that a team comprised of the best has been formed."

He also noted that political leaders with notable pugnaciousness, not only during the election campaign but even after the elections were held, have been assigned to positions that are very important for dialog and democratic coexistence.

"Secondly, we are also concerned by the violation of the institutional agreement that exists between the two major parties for the formation of the boards of directors of the legislative assemblies and, particularly, for the appointment of the regional comptrollers."

In this regard, he gave a reminder that, traditionally, the comptrollers have been independent individuals suggested or recommended by the leading opposition party; but that on this occasion well-known AD [Democratic Action] militants have been appointed in nearly all the states to carry out this critical function.

He added that the government itself should obviously be the first one concerned about having the regional comptrollerships in the hands of individuals who could not be suspected of acting in accordance with political-partisan interests.

"Thirdly, the procedure selected to remove the president of the Central Bank of Venezuela has been challenged by highly authorized spokesmen as a procedure in violation of the state of law."

Fourthly, he warned about the presence of a dangerous policy of persecuting public employees and workers in the service of the state, whose stability is theoretically protected by the Law on Administrative Careers, and who are being thrown out of their jobs without any consideration, "as if the election victory gave the right to keep the state as the private spoils of the winners."

"Finally, we have the most disturbing situation, the one that has just been created in PDVSA, which in our judgment typifies a serious political mistake, and another instance of lack of observance of the state of law, disregarding the regulations contained in PDVSA's own statute, and behavior damaging to the interests of the nation's leading industry."

He added: "In this respect, I wish to voice COPEI's formal, forceful protest against the conduct evinced by the government. Not only did it remove the president of Venezuelan Petroleum, engineer Humberto Calderon Berti, with 19 years of service to the industry, with a lofty reputation as a technician and professional who is unanimously recognized as such, but also, without giving the country any explanation, it changed half of the company's board of directors, including individuals such as Humberto Penaloza, with 33 years' service

in the industry; Victor Petzall, with 27 years; Gustavo Gabaldon, with 24 years; Enrique Daboin, with 25 years in the Ministry of Energy and Mines, and 2 years with PDVSA; and Manuel Pulido, with a long record of service in public administration."

Fernandez gave a reminder that the PDVSA statutes establish a 2-year term for the company's board of directors, and noted that, if the government had been so much interested in removing certain members, it could have changed the statutes, but it did not even take the trouble to do so.

"Furthermore, these are unprecedented moves in the oil industry. Until now, no one has ever left the board of directors unless it was because of having exceeded the age limit (60 years); and, in any case, at the time indicated, but never halfway through the term, and always attempting not to waste the training and experience which are so valuable to the industry."

#### Advisers and Congratulators

These elements have prompted Eduardo Fernandez to believe that a dangerous tendency is breeding within the present administration, which he thinks should be noted.

"With complete equanimity, but also with complete firmness, COPEI discloses to the country this type of action by the new government as something unfeasible for the national interest and, what is even more serious, as a tendency toward mistakenly interpreting the electoral mandate."

He went on to say: "We know of advisers who, on the highest levels of public administration, including the head of state himself, are approaching them to encourage them to interpret the broad electoral mandate received as a license that would allow abusive exercise of public authority. This would run counter to the Constitution and to the democratic model that has been adopted by the Venezuelan people since 1961. At the present time, our remarks are merely intended to be a sounding of a warning and an expression of concern that we hope will prompt the newly installed government to reflect."

When questioned about certain press stories from abroad in which there is praise for the dismissal of Diaz Bruzual and Calderon Berti as indications of the fulfillment of Lusinchi's electoral promises and his intention of redirecting the economy, the COPEI secretary general remarked that the president should be cautious about the "professional congratulators."

"There will be a great many of them around him during the early part of his government. I hope that he realizes that voices such as ours are inspired only by the intention of strengthening the democratic system and preventing dangerous deviations that would harm us all, but primarily Dr Lusinchi's government itself."

He was asked: "Are those advisers that you mention Venezuelans or foreigners?"

He replied: "The congratulators are our own and outsiders, and we must be cautious about all of them alike."

#### Military Appointments, Other Issues

Caracas EL UNIVERSAL in Spanish 11 Feb 84 p 2-1

[Text] Maracay, 10 February--This afternoon, the COPEI leader Pedro Pablo Aguilar arrived in this capital and, in statements made to reporters, claimed that the dismissal of Humberto Calderon Berti is a disturbing event, declaring that oil should not become part of the election spoils.

He also commented on the removal of Gen Russian Vasquez from the post of inspector general of the Army, and said that the aforementioned member of the military "is right."

Pedro Pablo Aguilar arrived in Maracay at the invitation of the COPEI Revolutionary Youth, to attend a forum at which the election results of last December were analyzed.

One of the reporters noted: "A great deal of comment has been evoked in Maracay by Gen Russian Vasquez' statement on the occasion of his removal from the position of Army inspector general. What is the opinion of Senator Aguilar, who for several years served as head of the Defense Commission?"

Aguilar replied: "I think that Gen Russian Vasquez is right. The Venezuelan military tradition is that changes in the major commands and positions in the Armed Forces are made in July. That tradition does not have to be changed by the elections, because the Armed Forces are an apolitical institution. For just that very reason, the only minister who is not replaced after the elections is the minister of defense. Nor is there a change in the high command, with an acknowledgment of the impeccable institutional behavior of the Armed Forces, and as evidence that political incidents should not have any repercussions on the barracks, even an incident as important as the election of the new president."

Aguilar continued: "Of course, the president of the republic is the commander in chief of the Armed Forces, and he has full authority to appoint and remove the heads of the military posts. But I believe that it has been a healthy tradition not to link political changes with military changes."

He was asked: "And what is your opinion regarding the ouster of Humberto Calderon Berti?"

"It is a disturbing incident. There are two very important things in our country: oil and the Armed Forces. Both oil and the Armed Forces must remain dissociated from the inter-partisan conflict. After we nationalized the oil, it was agreed that Venezuelan Petroleum would have to conduct itself with a national criterion, without implicating the interests of the parties. The two governments involved in the nationalization acted in accordance with that principle. Calderon Berti was elected for 2 years. He was assigned to the



presidency of PDVSA because he is one of the most capable oil experts that Venezuela has. Why was he dismissed? Is he incompetent or unfit? Has he failed in his administration? No, by no means. Everyone acknowledges his ability and the fact that he conducted himself well as head of the company. From what has been said, the only reason was that, if there is a new government in the country, there has to be a new government in PDVSA. It is a critical precedent that is being set. Based on that criterion, the future management of the oil industry would be subject to the vicissitudes of politics."

Pedro Pablo Aguilar made other comments regarding the removal of the president of the main oil company, claiming:

"I regret the dismissal of Calderon Berti. A policy of national understanding is required in dealing with oil. That policy must be associated with the intensification of oil nationalization, and with Venezuela's dependency regarding oil. It is not sound to turn oil into part of the election spoils. God willing, in the future we shall not continue to put the civilian leaders and the heads of the oil industry in the same category; in other words, there will be no need to change them every time there are elections. This is what has been happening in the so-called basic industries, and the results are obvious. It has certainly been oil that has prevented those basic industries from collapsing. But if the same thing happens to the oil industry, how will the calamity be prevented?"

Another reporter's question dealt with the same topic: He asked for Aguilar's opinion as to whether the new board members would politicize the industry. He made the following comment:

"I hope not. They have excellent credentials. The fact that some of them sympathize with AD does not disqualify them. The point is that the good management of the oil industry demands maximum stability for its administrators. The stability should not be subject to what happens every 5 years at the election polls. In this instance, there was a disregard for the legal principle of the stability of the president of PDVSA, using the mere argument of the election results."

Senator Pedro Pablo Aguilar will remain in this city until tomorrow, because during the evening he will have dinner with representative sectors of the community and, tomorrow, he will pay a visit to the news media.

#### Call for Congressional Investigation

Caracas EL UNIVERSAL in Spanish 16 Feb 84 p 1-14

[Text] COPEI's National Committee issued instructions to its congressional faction to challenge the minister of energy and mines, Arturo Hernandez Grisanti, in connection with the dismissal of Humberto Calderon Berti and five other PDVSA board members.

It was learned that the decision was made at the meeting of the Social Christian Party National Committee on Tuesday.

It was disclosed that it will be the Energy and Mines Commission of the Senate, chaired by the Social Christian Party member Valmore Acevedo Amaya, that will request the appearance of the minister of energy and mines, following a proposal made to the Chamber.

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